

LAWS OF DELAWARE  
VOLUME 85  
CHAPTER 71  
153rd GENERAL ASSEMBLY  
FORMERLY  
HOUSE BILL NO. 192

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO SPECIAL FUNDS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 708, Title 18 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 708. Distribution of proceeds of tax.

(c) (1) The payments to the State referred to in this section for “state police,” as defined in § 706 of this title, shall be deposited into a special fund, to be managed by the State Board of Pension Trustees, to provide post-retirement increases for retired county and municipal police and firefighters. The State Board of Pension Trustees shall allocate the funds deposited in this special fund on a per capita basis to the account of each eligible county or municipality based upon the annual registry in accordance with § 709(b) of this title, provided that the eligible county or municipality has elected to participate in the State-administered County and Municipal Police/Firefighter Pension Plan for all new hires after the time a municipality or county elects into that plan in accordance with Chapter 88 of Title 11. No funds shall be disbursed from this special fund without the prior approval of the Board of Pension Trustees.

(2) Any county or municipality wishing to grant a post-retirement increase from this fund shall submit a proposal to the State Board of Pension Trustees outlining the proposal in such detail as the State Board of Pension Trustees may require. The State Board of Pension Trustees shall not approve any proposal for a post-retirement increase unless the county or municipality requesting such increase agrees to deposit into this special fund, prior to the implementation of such increase, sufficient funds to cover 25% of the total actuarial cost of such increase.

(3) Any funds on deposit in this special fund, including accumulated income, shall revert to the General Fund, if such funds are not utilized for a post-retirement increase by the eligible counties or municipalities within 10 years from the date of deposit into the special fund.

(4) If a county or municipality does not submit a proposal to the State Board of Pension Trustees, the State Board of Pension Trustees shall distribute funds from the account within this special fund to the county or municipality for the benefit of all eligible individuals who started receiving a normal retirement, disability, or survivor pension. The State Board of Pension Trustees shall distribute the funds consistent with the following:

a. For purposes of this section, “eligible retiree” means an individual who retired before June 30, ~~2018~~ 2025; a surviving beneficiary; or an individual receiving a disability pension. Eligible retirees must be alive on July 1 of each biennial payout year to receive payment.

b. Eligible retirees must be placed into 1 of the following 3 categories:

1. Category 1, consisting of individuals who are 1 of the following:

A. Retired for greater than or equal to 20 years.

B. A surviving beneficiary.

C. Receiving a disability pension.

2. Category 2, consisting of individuals who have been retired for greater than or equal to 10 years but less than 20 years.

3. Category 3, consisting of individuals who have been retired for less than 10 years.

c. On each biennial anniversary starting from ~~September 1, 2019~~, [enactment date], and each biennial anniversary thereafter, the State Board of Pension Trustees shall make funds available for distribution from this special fund, as follows:

1. At least \$500,000 must remain in this special fund after distributions are made to eligible retirees.

2. Payments to eligible retirees in Category 3 must not exceed \$3,000 to each individual.

3. The amount of the payment to each individual in Category 1 shall be 3 times the amount of the payment to each individual in Category 3 and the amount of the payment to each individual in Category 2 shall be 2 times the amount of the payment to each individual in Category 3.

4. A payment may not be made to any individual who receives an annual pension of more than ~~\$35,000~~  
\$55,000.

d. The State Board of Pension Trustees shall determine the total amount available for distribution in any given year by July 1 of such year based upon the category information received from the county or municipality before July 1 of such year.

e. A county or municipality must disperse payments to eligible retirees within 30 days of receiving the funds under paragraph (c)(4)c. of this section.

Approved July 1, 2025