

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

House Bill 249
Appropriations

(Delegate Proctor)

Budget and Taxation

State Retirement and Pension System - Direct Mailings by Retiree Organizations

This bill requires the Maryland Retired School Personnel Association (MRSPA) and, after one year, other eligible retiree organizations to provide the Board of Trustees of the State Retirement and Pension System (SRPS) with copies of all materials that are to be included in a direct mailing for the board's review before the board provides retiree data to a mail processing center without prior notification to the retirees that their information is being shared. Beginning July 1, 2012, any organization in which State retirees participate and that has as one of its primary purposes representing or providing services to State retirees, may request data on State retirees from the board for a direct mailing. The board may provide the information only on behalf of a retiree organization that has legal authority to provide services to retirees of the several systems. The June 30, 2011 termination date for the MRSPA provisions in current law is also repealed by the bill.

The bill takes effect June 1, 2011, with provisions expanding the eligibility of retiree organizations taking effect July 1, 2012.

Fiscal Summary

State Effect: None. The Maryland State Retirement Agency incurs no costs associated with providing the information for the mailings. The Board of Trustees can review materials to be mailed with existing resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Chapter 714 of 2010 requires, for one year, the Board of Trustees of SRPS to provide mailing addresses for State retirees twice a year to a mail processing center to provide direct mailings on behalf of MRSPA. It also exempts MRSPA from current law requiring SRPS to notify retirees before it provides information about them to a public employee organization. These provisions are set to expire June 30, 2011.

MRSPA may submit two requests annually to SRPS for assistance in conducting direct mailings to SRPS retirees who are members of the organization or eligible to become members of the organization. The mailings may not be for the purpose of opposing or supporting a political party, ballot measure, or candidate for election. Instead, they must provide retirees with information that explains the services offered by MRSPA. The board is required to provide the requested data only to a mail processing center under a secure data share agreement in which neither the mail processing center nor MRSPA has access to any names or addresses.

MRSPA is responsible for paying all costs related to generating mailing labels; inserting materials into envelopes; and sealing, labeling, and delivering materials to be mailed. The board is not liable for the content of any information contained in the mailing.

By December 31, 2010, SRPS was required to submit a report to the Joint Committee on Pensions detailing any complaints it received from retirees regarding the release of information provided without prior notification.

Background: The Maryland State Retirement Agency reports that it assisted with one mailing in October 2010 and received no complaints from retirees regarding the release of their mailing addresses on behalf of MRSPA. A total of 8,157 names and addresses were provided to the mailing center for the October mailing.

Additional Information

Prior Introductions: None.

Cross File: SB 199 (Senator Glassman) - Budget and Taxation.

Information Source(s): Maryland State Retirement Agency, Department of Legislative Services

Fiscal Note History: First Reader - February 9, 2011
ncs/rhh Revised - House Third Reader - March 9, 2011
Revised - Enrolled Bill/Clarification - April 28, 2011

Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510