

# HOUSE BILL 1414

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By: **Delegate Serafini**

Introduced and read first time: February 15, 2013

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Report on Proposal to Authorize**  
3 **Counties to Elect Alternate Pension Options for Teachers**

4 FOR the purpose of requiring the Board of Trustees for the State Retirement and  
5 Pension System to submit a certain report on or before a certain date to certain  
6 committees of the General Assembly on certain transitional statutory provisions  
7 that may be necessary if legislation were enacted to authorize a governing body  
8 of a county to elect to alter, prospectively, the form of pension benefits of certain  
9 county board employees; requiring the report to include certain information;  
10 defining certain terms; and generally relating to a report on the impact of  
11 legislation to authorize a county to elect alternate pension options for certain  
12 county board employees.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That:

15 (a) (1) In this section the following words have the meanings indicated.

16 (2) “County board” means a county board of education or the  
17 Baltimore City Board of School Commissioners.

18 (3) “County board employee” means an employee of a county board for  
19 which the county board is required to make an employer contribution under §  
20 21–304(b)(4) of the State Personnel and Pensions Article.

21 (b) On or before December 31, 2013, the Board of Trustees for the State  
22 Retirement and Pension System shall submit a report to the Joint Committee on  
23 Pensions, the Senate Budget and Taxation Committee, and the House Appropriations  
24 Committee, in accordance with § 2–1246 of the State Government Article, on  
25 transitional statutory provisions that may be necessary or desirable if legislation were

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 enacted to authorize a governing body of a county to elect to alter, prospectively, the  
2 form of pension benefits of current or future county board employees of the county.

3 (c) The report shall include, in relation to an individual county's election:

4 (1) a description of the impact on the State Retirement and Pension  
5 System's actuarial liabilities and unfunded liabilities and the county's liability for that  
6 impact;

7 (2) recommendations for a method of accounting for unfunded  
8 liabilities attributable to the county board employees from that county and possible  
9 amortization of those liabilities over a 25-year period or other recommended period;

10 (3) the impact on employer contributions required under §  
11 21-304(b)(4) of the State Personnel and Pensions Article and recommendations on how  
12 employer contributions should be altered for a county that makes an election;

13 (4) recommendations to ensure continuation of portability of vested  
14 pension benefits for employees who transfer employment to other county boards, other  
15 counties, or the State;

16 (5) considerations related to whether the county chooses to place  
17 county board employees in a defined benefit plan, defined contribution plan, or other  
18 type of plan; and

19 (6) any other considerations that may be necessary to implement  
20 authorization for a county to elect to alter, prospectively, the form of pension benefits  
21 of current or future county board employees of the county.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 July 1, 2013.