

Chapter 636

(House Bill 1047)

AN ACT concerning

Employees' Pension System – Prince George's County – ~~Optional~~ Officials – Membership

PG 418–14

FOR the purpose of providing that membership in the Employees' Pension System is optional for certain individuals employed by Prince George's County in certain positions on or after certain dates; requiring individuals who elect to join the Employees' Pension System to make the election within a certain period of time; requiring individuals who elect to join the Employees' Pension System to complete a certain form and file it with the Board of Trustees for the State Retirement and Pension System; providing that membership in the Employees' Pension System is mandatory for certain individuals; providing that membership in the Employees' Pension System is prohibited for certain individuals; providing that certain individuals who do not make an election to join the Employees' Pension System within a certain period of time may not join the Employees' Pension System; providing that certain individuals' election or failure to elect to join the Employees' Pension System is a one-time, irrevocable decision; requiring the Board of Trustees to adopt certain regulations; requiring the State Retirement Agency to provide a certain report on or before a certain date to the Joint Committee on Pensions; and generally relating to ~~optional~~ membership in the Employees' Pension System for individuals employed by Prince George's County in certain positions.

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 23–203 and 23–204(a) and (b)(2)
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 23–204(b)(1)
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

BY adding to
Article – State Personnel and Pensions
Section 23–204(f)

Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

23–203.

Except as provided in § 23–204 of this subtitle, an individual described in § 23–201(a) of this subtitle who becomes an employee of a participating employer on or after January 1, 1980, or who transfers membership from the Employees' Retirement System, is a member of the Employees' Pension System as a condition of employment.

23–204.

(a) (1) This subsection applies to an individual who on June 30, 2004, receives an annual salary and who is:

- (i) an elected or appointed official;
- (ii) an employee of the Governor's office;
- (iii) an employee of the Senate or House of Delegates;
- (iv) a member of the Prince George's County Board of License Commissioners; or
- (v) an employee of Dorchester County who is not a member of the county's general pension and retirement program.

(2) Membership in the Employees' Pension System is optional for an individual under paragraph (1) of this subsection while the individual remains employed in the position the individual held on June 30, 2004.

(3) (i) In lieu of membership in any other retirement or pension system operated under the laws of the State or any political subdivision of the State, an individual under paragraph (1)(i) of this subsection may elect to join the Employees' Pension System within 1 year of employment or July 1, 2008, whichever is later.

(ii) An individual under paragraph (1)(i) of this subsection who elects to join the Employees' Pension System under subparagraph (i) of this paragraph, may transfer from a State or local retirement or pension system to the

Employees' Pension System in accordance with Title 37 of this article, any service credit earned while serving in that position.

(b) (1) This subsection does not apply to:

(I) an employee of the Town of Berwyn Heights; OR

(II) AN INDIVIDUAL EMPLOYED BY PRINCE GEORGE'S COUNTY WHO IS SUBJECT TO THE PROVISIONS OF SUBSECTION (F) OF THIS SECTION.

(2) (i) Except as provided in paragraph (3) of this subsection, this subsection applies only to the employees of a participating governmental unit who:

1. are employed by the participating governmental unit on June 30, 2004; and

2. were employed by the participating governmental unit on the effective date of participation in the State systems.

(ii) Except as provided in paragraph (3) of this subsection, membership in the Employees' Pension System is optional for an individual under subparagraph (i) of this paragraph until the individual ceases employment with the participating governmental unit that was employing the individual on June 30, 2004.

(F) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO IS EMPLOYED BY PRINCE GEORGE'S COUNTY AS:

(I) THE CHIEF ADMINISTRATIVE OFFICER;

(II) A DEPUTY CHIEF ADMINISTRATIVE OFFICER;

(III) A DIRECTOR OF A COUNTY OFFICE OR DEPARTMENT;

(IV) A COUNTY COUNCIL ADMINISTRATOR;

(V) A DEPUTY DIRECTOR OF A COUNTY OFFICE OR DEPARTMENT; OR

(VI) AN EXECUTIVE DIRECTOR.

(2) (1) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS OPTIONAL FOR:

~~1. AN INDIVIDUAL WHO:~~

~~A. BEGINS SERVING IN A POSITION LISTED IN PARAGRAPH (1) OF THIS SUBSECTION ON OR AFTER JULY 1, 2004, BUT BEFORE JULY 1, 2014;~~

~~B. REMAINS IN A POSITION LISTED IN PARAGRAPH (1) OF THIS SUBSECTION ON JULY 1, 2014; AND~~

~~C. IS NOT ENROLLED IN THE EMPLOYEES' PENSION SYSTEM; OR~~

~~2. EXCEPT AS PROVIDED IN PARAGRAPH (4)(III) OF THIS SUBSECTION,~~ AN INDIVIDUAL WHO BEGINS SERVING IN A POSITION LISTED IN PARAGRAPH (1) OF THIS SUBSECTION ON OR AFTER JULY 1, 2014.

(II) AN INDIVIDUAL DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WHO ELECTS TO JOIN THE EMPLOYEES' PENSION SYSTEM SHALL MAKE THE ELECTION IN WRITING ON A FORM PROVIDED BY THE BOARD OF TRUSTEES AND MUST FILE THE FORM WITH THE BOARD OF TRUSTEES WITHIN 1 YEAR OF EMPLOYMENT ~~OR BY SEPTEMBER 30, 2014, WHICHEVER IS LATER.~~

(3) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS MANDATORY FOR:

(I) AN INDIVIDUAL WHO:

1. IS EMPLOYED IN ONE OF THE POSITIONS LISTED UNDER PARAGRAPH (1) OF THIS SUBSECTION ON OR BEFORE JUNE 30, 2014; AND

2. IS ENROLLED AS A MEMBER OF THE EMPLOYEES' PENSION SYSTEM; OR

(II) AN INDIVIDUAL DESCRIBED UNDER PARAGRAPH (2) (I) OF THIS SUBSECTION WHO ELECTED TO JOIN THE EMPLOYEES' PENSION SYSTEM UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION.

(4) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS PROHIBITED FOR AN INDIVIDUAL WHO:

(I) BEGINS SERVING IN A POSITION LISTED IN PARAGRAPH (1) OF THIS SUBSECTION ON OR AFTER JULY 1, 2004, BUT BEFORE JULY 1, 2014;

(II) REMAINS IN A POSITION LISTED IN PARAGRAPH (1) OF THIS SUBSECTION ON OR AFTER JULY 1, 2014; AND

(III) IS NOT ENROLLED IN THE EMPLOYEES' PENSION SYSTEM.

~~(4)~~ (5) (I) AN INDIVIDUAL'S ELECTION UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION TO JOIN THE EMPLOYEES' PENSION SYSTEM OR AN INDIVIDUAL'S FAILURE TO ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM WITHIN THE REQUIRED TIME PERIOD IS A ONE-TIME, IRREVOCABLE DECISION.

(II) AN INDIVIDUAL EMPLOYED IN ONE OF THE POSITIONS LISTED UNDER PARAGRAPH (1) OF THIS SUBSECTION WHO DOES NOT ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION MAY NOT JOIN THE EMPLOYEES' PENSION SYSTEM WHILE EMPLOYED IN ONE OF THE POSITIONS LISTED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(III) AN INDIVIDUAL DESCRIBED UNDER PARAGRAPH (4) OF THIS SUBSECTION OR SUBPARAGRAPH (II) OF THIS PARAGRAPH WHO CHANGES EMPLOYMENT TO A DIFFERENT POSITION UNDER PARAGRAPH (1) OF THIS SUBSECTION, WHETHER OR NOT A BREAK IN EMPLOYMENT OCCURS, MAY NOT ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM.

~~(5)~~ (6) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The State Retirement Agency shall:

(1) conduct a study regarding the membership of elected and appointed officials in the Employees' Pension System, including:

(i) the elected and appointed officials who are required to join the Employees' Pension System as a condition of employment under current law;

(ii) the elected and appointed officials who have optional membership in the Employees' Pension System under current law; and

(iii) the impact of the 10-year vesting period under the Reformed Contributory Pension Benefit on the elected and appointed officials who began serving on or after July 1, 2011; and

(2) make recommendations regarding suggested statutory changes relating to the membership of elected and appointed officials in the Employees' Pension System.

(b) On or before December 1, 2014, the State Retirement Agency shall report its findings and recommendations to the Joint Committee on Pensions.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.

Approved by the Governor, May 15, 2014.