

# HOUSE BILL 1438

K4  
SB 391/10 – B&T

6lr3702  
CF SB 532

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By: **Delegates Sophocleus, Haynes, Jackson, Jones, and Reznik**

Introduced and read first time: February 12, 2016

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Correctional Officers' Retirement System – Membership – Correctional Case**  
3 **Management Specialist**

4 FOR the purpose of altering the membership of the Correctional Officers' Retirement  
5 System to include correctional case management specialists; authorizing certain  
6 individuals to transfer membership to the Correctional Officers' Retirement System;  
7 clarifying that certain individuals who do not elect to transfer are not members of  
8 the Correctional Officers' Retirement System; requiring certain individuals to  
9 deposit certain amounts in the annuity savings fund of the Correctional Officers'  
10 Retirement System; requiring the Board of Trustees for the State Retirement and  
11 Pension System to transfer certain funds to the annuity savings fund of the  
12 Correctional Officers' Retirement System; providing that certain accumulated  
13 contributions shall reduce the amount of a required deposit to the annuity savings  
14 fund of the Correctional Officers' Retirement System; prohibiting an individual who  
15 transfers membership to the Correctional Officers' Retirement System under this  
16 Act from receiving certain benefits if the individual retires within a certain number  
17 of years after transferring to the Correctional Officers' Retirement System; and  
18 generally relating to membership in the Correctional Officers' Retirement System.

19 BY repealing and reenacting, with amendments,  
20 Article – State Personnel and Pensions  
21 Section 25–201, 25–202, and 25–401  
22 Annotated Code of Maryland  
23 (2015 Replacement Volume)

24 BY repealing and reenacting, without amendments,  
25 Article – State Personnel and Pensions  
26 Section 25–203.1 and 29–302(c) and (d)  
27 Annotated Code of Maryland  
28 (2015 Replacement Volume)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to  
2 Article – State Personnel and Pensions  
3 Section 25–203.2 and 29–302(g)  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume)

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

8 **Article – State Personnel and Pensions**

9 25–201.

10 (a) Except as provided in subsection (b) of this section, this subtitle applies only  
11 to:

12 (1) correctional officers serving in any of the first six job classifications;

13 (2) security attendants at Clifton T. Perkins Hospital Center;

14 (3) a detention center officer employed by a participating governmental  
15 unit that on or after July 1, 2006, has elected to participate in the Correctional Officers'  
16 Retirement System;

17 (4) an individual serving as a correctional dietary, maintenance, laundry,  
18 or supply officer;

19 (5) an individual serving as a Maryland Correctional Enterprises officer,  
20 officer trainee, plant supervisor, plant manager, or regional manager; [and]

21 (6) a correctional officer serving as a security chief, a facility administrator,  
22 an assistant warden, or a warden who:

23 (i) begins employment in that position on or after July 1, 2014; or

24 (ii) is serving in that position on June 30, 2014, and elects to transfer  
25 to the Correctional Officers' Retirement System from:

26 1. the Employees' Pension System on or before December 31,  
27 2014; or

28 2. the Employees' Retirement System on or before December  
29 31, 2015; AND

30 **(7) AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE**  
31 **MANAGEMENT SPECIALIST.**

1 (b) This subtitle does not apply to:

2 (1) an employee of the Baltimore City Jail as of June 30, 1991, who:

3 (i) became an employee of the Baltimore City Detention Center on  
4 July 1, 1991; and

5 (ii) did not elect to become a member of the Correctional Officers'  
6 Retirement System on that date;

7 (2) a detention center officer employed by a participating governmental  
8 unit as a local detention center officer on the effective date of participation on or after July  
9 1, 2006, who did not elect to become a member of the Correctional Officers' Retirement  
10 System within 6 months of the effective date of participation; [or]

11 (3) a correctional officer serving as a security chief, a facility administrator,  
12 an assistant warden, or a warden who is in that position on June 30, 2014, and does not  
13 elect to transfer membership to the Correctional Officers' Retirement System from:

14 (i) the Employees' Pension System on or before December 31, 2014;  
15 or

16 (ii) the Employees' Retirement System on or before December 31,  
17 2015; OR

18 **(4) AN INDIVIDUAL SERVING AS A CORRECTIONAL CASE**  
19 **MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON JUNE 30, 2016, AND DOES**  
20 **NOT ELECT TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL OFFICERS'**  
21 **RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR THE**  
22 **EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.**

23 25–202.

24 (a) Except as provided in subsection (b) of this section, an individual described in  
25 § 25–201(a) of this subtitle is a member of the Correctional Officers' Retirement System as  
26 a condition of employment.

27 (b) (1) Subject to paragraph (2) of this subsection, membership in the  
28 Correctional Officers' Retirement System is optional for an individual described in §  
29 25–201 of this subtitle who:

30 **(I)** was employed by a participating governmental unit as a local  
31 detention center officer on the effective date of participation on or after July 1, 2006, for  
32 that participating governmental unit and who elects membership within 6 months of the  
33 effective date of participation; **AND**

1                   **(II) IS SERVING AS A CORRECTIONAL CASE MANAGEMENT**  
2 **SPECIALIST ON JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE**  
3 **CORRECTIONAL OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES'**  
4 **PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE**  
5 **DECEMBER 31, 2016.**

6                   (2) To elect to be a member of the Correctional Officers' Retirement  
7 System, an individual shall file a written application with the State Retirement Agency.

8                   (3) If an individual does not elect membership during the applicable period  
9 specified under paragraph (1) of this subsection, the individual may not become a member  
10 of the Correctional Officers' Retirement System.

11 **25-203.1.**

12                   For members who transfer from the Employees' Pension System or the Employees'  
13 Retirement System, the Board of Trustees shall transfer to the accumulation fund of the  
14 Correctional Officers' Retirement System the employer contributions that were made to the  
15 Employees' Pension System or the Employees' Retirement System on behalf of those  
16 members who transferred, plus the interest earned on those contributions through the date  
17 of transfer.

18 **25-203.2.**

19                   **(A) THIS SECTION APPLIES TO AN INDIVIDUAL SERVING AS A**  
20 **CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON**  
21 **JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL**  
22 **OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR**  
23 **THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.**

24                   **(B) A MEMBER SHALL DEPOSIT IN THE ANNUITY SAVINGS FUND OF THE**  
25 **CORRECTIONAL OFFICERS' RETIREMENT SYSTEM:**

26                   **(1) AN AMOUNT EQUAL TO THE MEMBER CONTRIBUTIONS THAT**  
27 **WOULD HAVE BEEN MADE IF THE RATE OF MEMBER CONTRIBUTIONS WAS THE SAME**  
28 **AS THE RATE SPECIFIED UNDER § 25-203 OF THIS SUBTITLE WHEN THE SERVICE**  
29 **BEING TRANSFERRED WAS EARNED; AND**

30                   **(2) REGULAR INTEREST ON THE CONTRIBUTIONS REQUIRED UNDER**  
31 **ITEM (1) OF THIS SUBSECTION AT THE RATE OF 4% PER YEAR COMPOUNDED**  
32 **ANNUALLY.**

33                   **(C) (1) THE BOARD OF TRUSTEES SHALL TRANSFER A MEMBER'S**  
34 **ACCUMULATED CONTRIBUTIONS FROM THE ANNUITY SAVINGS FUND OF THE**

1 **EMPLOYEES' PENSION SYSTEM OR THE EMPLOYEES' RETIREMENT SYSTEM TO THE**  
2 **ANNUITY SAVINGS FUND OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.**

3 **(2) THE AMOUNT A MEMBER IS REQUIRED TO DEPOSIT UNDER**  
4 **SUBSECTION (B) OF THIS SECTION SHALL BE REDUCED BY THE AMOUNT OF**  
5 **ACCUMULATED CONTRIBUTIONS TRANSFERRED UNDER THIS SUBSECTION.**

6 25-401.

7 (a) A member may retire with a normal service retirement allowance if:

8 (1) on or before the date of retirement, the member:

9 (i) has at least 20 years of eligibility service;

10 (ii) is at least 55 years old and has:

11 1. at least 5 years of eligibility service credit, if the member  
12 is a member on or before June 30, 2011; or

13 2. at least 10 years of eligibility service credit, if the member  
14 becomes a member on or after July 1, 2011; or

15 (iii) is a maximum security attendant at the Clifton T. Perkins  
16 Hospital Center who is at least 60 years old and has:

17 1. at least 5 years of eligibility service credit, if the member  
18 is a member on or before June 30, 2011; or

19 2. at least 10 years of eligibility service credit, if the member  
20 becomes a member on or after July 1, 2011; and

21 (2) the member completes and submits a written application to the Board  
22 of Trustees stating the date when the member desires to retire.

23 (b) On retirement under this section, a member is entitled to receive a normal  
24 service retirement allowance that equals one fifty-fifth of the member's average final  
25 compensation multiplied by the number of years of creditable service.

26 **(c) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL SERVING AS**  
27 **A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON**  
28 **JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL**  
29 **OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR**  
30 **THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.**

1           **(2) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, IF AN**  
 2 **INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION RETIRES WITHIN**  
 3 **5 YEARS AFTER TRANSFERRING INTO THE CORRECTIONAL OFFICERS' RETIREMENT**  
 4 **SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE**  
 5 **CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN**  
 6 **PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THE SERVICE IF THE**  
 7 **INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.**

8 29–302.

9           (c) A vested allowance is a deferred allowance starting at:

10           (1) normal retirement age for members of:

11           (i) the Employees' Retirement System;

12           (ii) the State Police Retirement System; and

13           (iii) the Teachers' Retirement System;

14           (2) except as provided in item (3) of this subsection, age 55 for a member of  
 15 the Correctional Officers' Retirement System; or

16           (3) age 60 for a member of the Correctional Officers' Retirement System  
 17 who is a maximum security attendant at the Clifton T. Perkins Hospital Center.

18           (d) A vested allowance:

19           (1) is computed as a normal service retirement allowance on the basis of  
 20 the former member's creditable service and average final compensation at the time of  
 21 separation from employment; and

22           (2) may be paid in one of the optional forms of allowances under § 21–403  
 23 of this article.

24           **(G) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL SERVING AS**  
 25 **A CORRECTIONAL CASE MANAGEMENT SPECIALIST WHO IS IN THAT POSITION ON**  
 26 **JUNE 30, 2016, AND ELECTS TO TRANSFER MEMBERSHIP TO THE CORRECTIONAL**  
 27 **OFFICERS' RETIREMENT SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM OR**  
 28 **THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE DECEMBER 31, 2016.**

29           **(2) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, IF AN**  
 30 **INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION RETIRES WITHIN**  
 31 **5 YEARS AFTER TRANSFERRING INTO THE CORRECTIONAL OFFICERS' RETIREMENT**  
 32 **SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE**

1 CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN  
2 PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THE SERVICE IF THE  
3 INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2016.