

Department of Legislative Services  
Maryland General Assembly  
2016 Session

FISCAL AND POLICY NOTE  
Third Reader

House Bill 380

(Delegate B. Barnes)(Chair, Joint Committee on  
Pensions)

Appropriations

Budget and Taxation

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State Retirement and Pension System - Local Fire and Police System -  
Commingling of Assets

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This bill repeals obsolete language that authorizes the Board of Trustees of the State Retirement and Pension System to commingle the assets of the Local Fire and Police (LFP) System with that of other systems, and it makes technical changes to the asset commingling authorization.

The bill takes effect July 1, 2016.

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Fiscal Summary

**State Effect:** None. The bill is technical in nature and has no effect on State pension liabilities or contribution rates. No effect on revenues.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law/Background:** The board is authorized to commingle assets of the several systems, including the Postretirement Health Benefits Trust Fund, as long as it maintains separate records for each of seven specified systems, including LFP. LFP was closed to new members in 2004, and Chapter 238 of 2005 transferred its assets and liabilities to the Employees' Pension System for participants of withdrawn employers. As of June 30, 2008, the board advises that no participating employers remain in LFP. The board recommended

legislation be introduced to repeal the obsolete requirement, and the Joint Committee on Pensions adopted the recommendation.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 344 (Senator Peters)(Chair, Joint Committee on Pensions) - Budget and Taxation.

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

**Fiscal Note History:** First Reader - February 1, 2016  
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