SENATE BILL 754

K4 7lr2191 CF HB 1110

By: Senator Guzzone

Introduced and read first time: February 3, 2017

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 14, 2017

CHAPTER

1 AN ACT concerning

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Law Enforcement Officers' Pension System - Membership

- 3 FOR the purpose of authorizing certain individuals to transfer transferring certain individuals into the Law Enforcement Officers' Pension System; requiring an 4 individual who transfers into the Law Enforcement Officers' Pension System to 5 6 submit a certain application to the State Retirement Agency; requiring the State 7 Retirement Agency to provide a certain application form; requiring an individual who transferred into the Law Enforcement Officers' Pension System to 8 9 make certain deposits in the annuity savings fund of the Law Enforcement Officers' 10 Pension System; requiring the Board of Trustees for the State Retirement and 11 Pension System to make certain transfers to the accumulation fund and annuity 12 savings fund of the Law Enforcement Officers' Pension System; providing for the 13 termination of this Act; and generally relating to membership in the Law Enforcement Officers' Pension System. 14
- 15 BY repealing and reenacting, without amendments,
- 16 Article State Personnel and Pensions
- 17 Section 26–201(a)(22), 26–202(b)(1)(xix), (2), and (3), and 26–203.4
- 18 Annotated Code of Maryland
- 19 (2015 Replacement Volume and 2016 Supplement)
- 20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 21 That the Laws of Maryland read as follows:

Article - State Personnel and Pensions

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



- 1 26-201.
- 2 (a) Except as provided in subsection (b) of this section, this subtitle applies only
- 3 to:
- 4 (22) an employee of the Warrant Apprehension Unit of the Division of Parole
- 5 and Probation in the Department of Public Safety and Correctional Services who has the
- 6 powers granted to a peace officer or police officer under § 6–106 of the Correctional Services
- 7 Article.
- 8 26–202.
- 9 (b) (1) Subject to paragraph (2) of this subsection, membership in the Law
- 10 Enforcement Officers' Pension System is optional for an individual described in § 26–201
- 11 of this subtitle:
- 12 (xix) who was an employee of the Warrant Apprehension Unit of the
- 13 Division of Parole and Probation in the Department of Public Safety and Correctional
- 14 Services who has powers granted to a peace officer or police officer under § 6–106 of the
- 15 Correctional Services Article on June 30, 2015, and who elects membership on or before
- 16 December 31, 2015.
- 17 (2) To elect to be a member of the Law Enforcement Officers' Pension
- 18 System, an individual shall file a written application with the State Retirement Agency.
- 19 (3) If an individual does not elect membership during the applicable period
- 20 specified under paragraph (1) of this subsection, the individual may not become a member
- 21 of the Law Enforcement Officers' Pension System.
- 22 26–203.4.
- 23 (a) This section applies to an employee of the Warrant Apprehension Unit of the
- 24 Division of Parole and Probation in the Department of Public Safety and Correctional
- 25 Services who:
- 26 (1) has the powers granted to a peace officer or police officer under § 6–106
- 27 of the Correctional Services Article; and
- 28 (2) transfers to the Law Enforcement Officers' Pension System on or before
- 29 December 31, 2015.
- 30 (b) A member shall deposit in the annuity savings fund of the Law Enforcement
- 31 Officers' Pension System:
- 32 (1) contributions at the rates specified under § 26–204 of this subtitle; and

- 1 (2) regular interest on the contributions required under item (1) of this 2 subsection at the rate of 5% per year compounded annually.
- 3 (c) (1) The Board of Trustees shall transfer a member's accumulated 4 contributions from the annuity savings fund of the Employees' Pension System to the 5 annuity savings fund of the Law Enforcement Officers' Pension System.
- 6 (2) The amount a member is required to deposit under subsection (b) of this section shall be reduced by the amount of accumulated contributions transferred under this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That:

- 10 (a) This section applies to an individual who:
- 11 (1) is a member of the Employees' Pension System;
- 12 (2) began employment in the Warrant Apprehension Unit of the Division
- 13 of Parole and Probation in the Department of Public Safety and Correctional Services who
- 14 has powers granted to a peace officer or police officer under § 6–106 of the Correctional
- 15 Services Article on or before June 30, 2015;
- 16 (3) did not submit an application to become a member of the Law
- 17 Enforcement Officers' Pension System before January 1, 2016, in accordance with Chapter
- 18 268 of the Acts of 2015; and
- 19 (4) is a current employee of the Warrant Apprehension Unit of the Division
- 20 of Parole and Probation in the Department of Public Safety and Correctional Services who
- 21 has powers granted to a peace officer or police officer under § 6–106 of the Correctional
- 22 Services Article.

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- 23 (b) (1) Notwithstanding § 26–202(b)(3) of the State Personnel and Pensions
- 24 Article, an individual described under subsection (a) of this section may transfer shall be
- 25 transferred to the Law Enforcement Officers' Pension System by submitting an application
- 26 to the State Retirement Agency.
- 27 (2) The State Retirement Agency shall provide the application form to be 28 filed under paragraph (1) of this subsection.
- 29 (c) An individual who transfers is transferred into the Law Enforcement Officers'
- 30 Pension System under this Act shall deposit in the annuity savings fund of the Law
- 31 Enforcement Officers' Pension System:
- 32 (1) contributions at the rates specified under § 26–204 of the State
- 33 Personnel and Pensions Article; and

$\frac{1}{2}$	(2) regular interest on the contributions required under item (1) of this subsection at the rate of 5% per year compounded annually.
3 4 5 6 7	(d) The Board of Trustees for the State Retirement and Pension System shall transfer to the accumulation fund of the Law Enforcement Officers' Pension System the employer contributions made to the Employees' Pension System on behalf of a member who transfers is transferred into the Law Enforcement Officers' Pension System under this Act, plus the interest earned on those contributions through the date of transfer.
8 9 10 11 12	(e) (1) The Board of Trustees of the State Retirement and Pension System shall transfer the member's accumulated contributions from the annuity savings fund of the Employees' Pension System to the annuity savings fund of the Law Enforcement Officers' Pension System for a member who is transferred into the Law Enforcement Officers' Pension System under this Act.
13 14 15	(2) The amount a member is required to deposit under subsection (c) of this section shall be reduced by the amount of accumulated contributions transferred under this subsection.
16 17 18 19	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017. It shall remain effective for a period of 6 months and, at the end of December 31, 2017, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.
	Approved:
	Governor.
	President of the Senate.
	Speaker of the House of Delegates.