

# HOUSE BILL 822

K4

8lr1479

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By: **Delegate Krimm**

Introduced and read first time: February 2, 2018

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Personnel and Pensions – Phased Retirement Plan – Development and**  
3 **Implementation**

4 FOR the purpose of requiring, on or before a certain date, the Department of Budget and  
5 Management and the State Retirement Agency to develop and, to the extent  
6 authorized under law, implement a certain phased retirement plan for certain  
7 eligible individuals; requiring the Department and the Agency to consider certain  
8 options and work with certain representatives in developing the plan; requiring, on  
9 or before certain dates, the Department and the Agency to submit certain reports to  
10 the Department of Legislative Services and the Joint Committee on Pensions;  
11 requiring, on or before a certain date, the Department and the Agency to submit the  
12 plan to the Department of Legislative Services, certain committees of the General  
13 Assembly, and the Joint Committee on Pensions; requiring the Department and the  
14 Agency to make certain recommendations to the Joint Committee on Pensions on  
15 certain statutory changes to implement the plan; defining certain terms; providing  
16 for the termination of certain provisions of this Act; and generally relating to the  
17 development and implementation of a phased retirement plan.

18 BY adding to  
19 Article – State Personnel and Pensions  
20 The new title “Title 41. Phased Retirement Plans”  
21 Annotated Code of Maryland  
22 (2015 Replacement Volume and 2017 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



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

3 **Article – State Personnel and Pensions**

4 **TITLE 41. PHASED RETIREMENT PLANS.**

5 **41–101. RESERVED.**

6 **41–102. RESERVED.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That:

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

9 (2) “Agency” means the State Retirement Agency.

10 (3) “Department” means the Department of Budget and Management.

11 (4) “Eligible individual” means an individual who:

12 (i) is a member of:

- 13 1. the Correctional Officers’ Retirement System;
- 14 2. the Employees’ Pension System;
- 15 3. the Employees’ Retirement System;
- 16 4. the Law Enforcement Officers’ Pension System;
- 17 5. the State Police Retirement System;
- 18 6. the Teachers’ Pension System; or
- 19 7. the Teachers’ Retirement System; and

20 (ii) is not:

21 1. a member of a pension or retirement system specified in  
22 subparagraph (i) of this paragraph by virtue of the individual’s employment with a  
23 participating governmental unit; or

24 2. participating in a deferred retirement option program.

25 (5) “Phased retirement plan” means a plan that, at a minimum, authorizes  
26 a retirement–eligible employee to remain in State service on a part–time basis and receive

1 regular compensation for the time spent working while also collecting prorated retirement  
2 benefits.

3 (b) The Department and the Agency shall develop a phased retirement plan for  
4 eligible individuals.

5 (c) In developing the phased retirement plan, the Department and the Agency  
6 shall:

7 (1) consider all options to incentivize eligible individuals to stay in State  
8 service to mentor or train employees who will later fill the positions of the experienced  
9 employees who are preparing for retirement; and

10 (2) work with the exclusive representatives of the employees for which the  
11 phased retirement plan is being developed.

12 (d) (1) On or before January 1, 2019, and on or before May 1, 2019, the  
13 Department and the Agency shall submit a report to the Department of Legislative Services  
14 and, in accordance with § 2–1246 of the State Government Article, the Joint Committee on  
15 Pensions on the development of the phased retirement plan.

16 (2) On or before July 1, 2019, the Department and the Agency shall:

17 (i) finalize the development of the phased retirement plan; and

18 (ii) submit the finalized phased retirement plan to the Department  
19 of Legislative Services and, in accordance with § 2–1246 of the State Government Article,  
20 the Senate Budget and Taxation Committee, the House Appropriations Committee, and the  
21 Joint Committee on Pensions.

22 (3) On or before December 31, 2019, the Department and the Agency shall  
23 make recommendations to the Joint Committee on Pensions on the suggested statutory  
24 changes to implement the finalized phased retirement plan.

25 (4) On or before July 1, 2020, to the extent authorized under law, the  
26 Department and the Agency shall implement the finalized phased retirement plan.

27 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
28 1, 2018. Section 2 of this Act shall remain effective for a period of 3 years and, at the end of  
29 June 30, 2021, Section 2 of this Act, with no further action required by the General  
30 Assembly, shall be abrogated and of no further force and effect.