

SENATE JOINT RESOLUTION 9

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CF 8lr2681

By: **Senator Serafini**

Introduced and read first time: January 31, 2018

Assigned to: Budget and Taxation

SENATE JOINT RESOLUTION

1 A Senate Joint Resolution concerning

2 **General Assembly Compensation Commission – Legislative Pension Plan –**
3 **Closure to Current and Future Members**

4 FOR the purpose of providing that the Resolution of the General Assembly Compensation
5 Commission dated January 16, 2018, and transmitted to the General Assembly on
6 January 23, 2018, be amended to close the Legislative Pension Plan to new
7 membership on or after January 9, 2019; providing that the Resolution of the
8 General Assembly Compensation Commission dated January 16, 2018, and
9 transmitted to the General Assembly on January 23, 2018, be amended to provide
10 that no new service credit may be earned in the Legislative Pension Plan on or after
11 January 9, 2019; providing that the Resolution of the General Assembly
12 Compensation Commission dated January 16, 2018, and transmitted to the General
13 Assembly on January 23, 2018, be amended to establish that no member
14 contributions in the Legislative Pension Plan are required on or after January 9,
15 2019; and generally relating to the Resolution of the General Assembly
16 Compensation Commission dated January 16, 2018, and transmitted to the General
17 Assembly on January 23, 2018.

18 **RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That:**

19 (a) In accordance with the authority granted under Article III, Section 15 of the
20 Maryland Constitution, the General Assembly recommends amending Sections 1(j) and (p),
21 5(a) and (b), and 6(a) of Item 3A of the Resolution of the General Assembly Compensation
22 Commission dated January 16, 2018, and transmitted to the General Assembly on January
23 23, 2018, to read as follows:

24 “Item 3A.

25 1. Definitions.

26 (j) Member.



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1 (1) "Member" means:

2 (i) A legislator who, prior to January 9, 2019, is a member of the
3 Legislative Pension Plan during the legislator's term of office; and

4 (ii) A former legislator who, prior to January 9, 2019:

5 1. Was a member of the Legislative Pension Plan during the
6 legislator's term of office;

7 2. Has not withdrawn the member's accumulated
8 contributions; and

9 3. Is not currently receiving a retirement allowance.

10 (2) "Member" does not include a legislator who has no creditable service
11 before January 9, 2019.

12 (p) Retiree. "Retiree" means an individual who:

13 (1) Is eligible for retirement;

14 (2) Has applied to receive a retirement allowance; and

15 (3) Prior to retirement has earned creditable service before January 9,
16 2019.

17 5. Member contributions.

18 (a) In general. Except as provided in subsection (b) of this section, each member
19 of the Legislative Pension Plan shall contribute an amount equal to 7% of the member's
20 annual salary.

21 (b) Exceptions.

22 (1) Subject to paragraph (2) of this subsection, a member does not make
23 any further contributions on the earlier of:

24 (i) the member accumulating 22 years and 3 months of creditable
25 service; or

26 (ii) January 9, 2019.

27 (2) If the member elects to receive a retirement allowance under § 8(e)(2)
28 of this Item 3A, a member shall contribute an amount equal to 7% of the member's annual
29 salary until the member accrues the maximum retirement allowance payable under §
30 8(e)(2) of this Item 3A.

1 6. Service credit.

2 (a) Creditable service. Creditable service at retirement on which the allowance of
3 a retiree is based shall consist of the sum of:

4 (1) Membership service credit earned before January 9, 2019; and

5 (2) Service credit purchased under this section before January 9, 2019.

6 (b) The other items related to compensation and allowances to members of the
7 General Assembly shall be as provided in the Resolution of the General Assembly
8 Compensation Commission dated January 16, 2018, and transmitted to the General
9 Assembly on January 23, 2018; and be it further

10 RESOLVED, That a copy of this Resolution be forwarded by the Department of
11 Legislative Services to the Honorable Lawrence J. Hogan, Jr., Governor of Maryland; the
12 Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the
13 Honorable Michael E. Busch, Speaker of the House of Delegates.