

HB1004/603629/1

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL 1004
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 7, after “Agency” insert “in a certain manner”; in line 12, strike “20–205(e)” and substitute “20–204(a)(3), (b)(3), and (c)(3), 20–205(e).”; and after line 14, insert:

“BY adding to

Article - State Personnel and Pensions

Section 20–204(a)(4) and (5), (b)(4) and (5), and (c)(4) and (5)

Annotated Code of Maryland

(2015 Replacement Volume and 2023 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 17, insert:

“20–204.

(a) (3) Except [for a salary increase because of a member’s promotion] AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, the member’s average final compensation does not include a salary increase in the last 3 years of employment if it is an extraordinary salary increase according to regulations that the Board of Trustees adopts.

(4) A SALARY INCREASE MAY NOT BE CONSIDERED AN EXTRAORDINARY SALARY INCREASE UNDER PARAGRAPH (3) OF THIS SUBSECTION IF THE SALARY INCREASE IS:

(I) BECAUSE OF A MEMBER’S PROMOTION; OR

(II) SUBJECT TO PARAGRAPH (5) OF THIS SUBSECTION, RELATED TO A REVIEW AND ADJUSTMENT TO THE COMPENSATION FOR A POSITION CLASSIFICATION TO:

1. ADDRESS INEQUITIES IN COMPENSATION AMONG EMPLOYEES IN THE SAME POSITION CLASSIFICATION; OR

2. INCREASE THE COMPENSATION FOR THE POSITION CLASSIFICATION TO BE MORE CONSISTENT WITH MARKET COMPENSATION FOR THE POSITION.

(5) (I) AT THE TIME OF RETIREMENT, A MEMBER WHO HAS RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (4)(II) OF THIS SUBSECTION SHALL FILE WITH THE STATE RETIREMENT AGENCY A FORM PROVIDED BY THE STATE RETIREMENT AGENCY THAT:

1. IS COMPLETED BY THE MEMBER'S EMPLOYER; AND

2. CERTIFIES THAT THE MEMBER RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (4)(II) OF THIS SUBSECTION.

(II) A MEMBER SHALL SUBMIT TO THE STATE RETIREMENT AGENCY THE COMPLETED FORM REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 30 DAYS FROM THE DATE OF THE STATE RETIREMENT AGENCY'S WRITTEN NOTICE THAT THE MEMBER HAS RECEIVED AN EXTRAORDINARY SALARY INCREASE.

(b) (3) (i) Except [for a salary increase because of a member's promotion] AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, the member's average final compensation does not include a salary increase in the last 3 years of employment if it is an extraordinary salary increase according to regulations that the Board of Trustees adopts.

(ii) 1. This subparagraph applies only to a member of the State Police Retirement System.

2. If a member of the State Police Retirement System who transferred from another actuarial retirement system in the State retires after less than 3 years of employment as a member of the State Police Retirement System, the earnable compensation as a member in the other system shall be used in the determination of average final compensation.

(4) A SALARY INCREASE MAY NOT BE CONSIDERED AN EXTRAORDINARY SALARY INCREASE UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION IF THE SALARY INCREASE IS:

(I) BECAUSE OF A MEMBER'S PROMOTION; OR

(II) SUBJECT TO PARAGRAPH (5) OF THIS SUBSECTION, RELATED TO A REVIEW AND ADJUSTMENT TO THE COMPENSATION FOR A POSITION CLASSIFICATION TO:

1. ADDRESS INEQUITIES IN COMPENSATION AMONG EMPLOYEES IN THE SAME POSITION CLASSIFICATION; OR

2. INCREASE THE COMPENSATION FOR THE POSITION CLASSIFICATION TO BE MORE CONSISTENT WITH MARKET COMPENSATION FOR THE POSITION.

(5) (I) AT THE TIME OF RETIREMENT, A MEMBER WHO HAS RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (4)(II) OF THIS SUBSECTION SHALL FILE WITH THE STATE RETIREMENT AGENCY A FORM PROVIDED BY THE STATE RETIREMENT AGENCY THAT:

1. IS COMPLETED BY THE MEMBER'S EMPLOYER; AND
2. CERTIFIES THAT THE MEMBER RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (4)(II) OF THIS SUBSECTION.

(II) A MEMBER SHALL SUBMIT TO THE STATE RETIREMENT AGENCY THE COMPLETED FORM REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 30 DAYS FROM THE DATE OF THE STATE RETIREMENT AGENCY'S WRITTEN NOTICE THAT THE MEMBER HAS RECEIVED AN EXTRAORDINARY SALARY INCREASE.

(c) (3) (i) Except [for a salary increase because of a member's promotion] AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, the member's average final compensation does not include a salary increase in the last 5 years of employment if it is an extraordinary salary increase according to regulations that the Board of Trustees adopts.

(ii) 1. This subparagraph applies only to a member of the State Police Retirement System.

2. If a member of the State Police Retirement System who transferred from another actuarial retirement system in the State retires after less than 5 years of employment as a member of the State Police Retirement System, the earnable compensation as a member in the other system shall be used in the determination of average final compensation.

(4) A SALARY INCREASE MAY NOT BE CONSIDERED AN EXTRAORDINARY SALARY INCREASE UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION IF THE SALARY INCREASE IS:

(I) BECAUSE OF A MEMBER'S PROMOTION; OR

(II) SUBJECT TO PARAGRAPH (5) OF THIS SUBSECTION, RELATED TO A REVIEW AND ADJUSTMENT TO THE COMPENSATION FOR A POSITION CLASSIFICATION TO:

1. ADDRESS INEQUITIES IN COMPENSATION AMONG EMPLOYEES IN THE SAME POSITION CLASSIFICATION; OR

2. INCREASE THE COMPENSATION FOR THE POSITION CLASSIFICATION TO BE MORE CONSISTENT WITH MARKET COMPENSATION FOR THE POSITION.

(5) (I) AT THE TIME OF RETIREMENT, A MEMBER WHO HAS RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (4)(II) OF THIS SUBSECTION SHALL FILE WITH THE STATE RETIREMENT AGENCY A FORM PROVIDED BY THE STATE RETIREMENT AGENCY THAT:

1. IS COMPLETED BY THE MEMBER'S EMPLOYER; AND

(Over)

2. CERTIFIES THAT THE MEMBER RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (4)(II) OF THIS SUBSECTION.

(II) A MEMBER SHALL SUBMIT TO THE STATE RETIREMENT AGENCY THE COMPLETED FORM REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 30 DAYS FROM THE DATE OF THE STATE RETIREMENT AGENCY’S WRITTEN NOTICE THAT THE MEMBER HAS RECEIVED AN EXTRAORDINARY SALARY INCREASE.”.

On page 2, strike in their entirety lines 13 through 20, inclusive, and substitute:

“(3) (I) AT THE TIME OF RETIREMENT, A MEMBER WHO HAS RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (2)(II) OF THIS SUBSECTION SHALL FILE WITH THE STATE RETIREMENT AGENCY A FORM PROVIDED BY THE STATE RETIREMENT AGENCY THAT:

1. IS COMPLETED BY THE MEMBER’S EMPLOYER; AND

2. CERTIFIES THAT THE MEMBER RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (2)(II) OF THIS SUBSECTION.

(II) A MEMBER SHALL SUBMIT TO THE STATE RETIREMENT AGENCY THE COMPLETED FORM REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 30 DAYS FROM THE DATE OF THE STATE RETIREMENT AGENCY’S WRITTEN NOTICE THAT THE MEMBER HAS RECEIVED AN EXTRAORDINARY SALARY INCREASE.”.

On page 3, strike in their entirety lines 6 through 13, inclusive, and substitute:

“(3) (I) AT THE TIME OF RETIREMENT, A MEMBER WHO HAS RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (2)(II) OF THIS SUBSECTION SHALL FILE WITH THE STATE RETIREMENT AGENCY A FORM PROVIDED BY THE STATE RETIREMENT AGENCY THAT:

1. IS COMPLETED BY THE MEMBER’S EMPLOYER; AND
2. CERTIFIES THAT THE MEMBER RECEIVED A SALARY INCREASE IN ACCORDANCE WITH PARAGRAPH (2)(II) OF THIS SUBSECTION.

(II) A MEMBER SHALL SUBMIT TO THE STATE RETIREMENT AGENCY THE COMPLETED FORM REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 30 DAYS FROM THE DATE OF THE STATE RETIREMENT AGENCY’S WRITTEN NOTICE THAT THE MEMBER HAS RECEIVED AN EXTRAORDINARY SALARY INCREASE.”