

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 1

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after "Allowances" insert "- Separation from Employment"; in line 6, strike "of one of the State retirement or pension systems" and substitute "who retires under this Act"; in line 11, after "employers;" insert "allowing certain employees who are separated from employment under certain circumstances to be eligible for certain retirement benefits; excluding certain employees from qualifying for the retirement and other benefits under this Act; requiring the Secretary of Budget and Fiscal Planning to notify the Board of Trustees if a member revokes an application for retirement under this Act; providing for a certain choice of death benefits to a designated beneficiary if an employee dies under certain circumstances; limiting the number of employees who retire under this Act from being rehired as temporary or contractual employees; requiring the Departments of Budget and Fiscal Planning and Fiscal Services to monitor the number of employees who retire under this Act who are rehired as temporary or contractual employees; requiring the State to pay for a certain period the entire health insurance costs of certain employees who are separated from employment under certain circumstances;"; in line 22, after "retirement" insert "under certain circumstances"; in line 24, strike "percentage" and substitute "number"; in line 32, strike "retirement of" and substitute "separation from employment and retirement of certain".

On page 2, in line 2, strike "20-207 and".

AMENDMENT NO. 2

On page 2, strike in their entirety lines 13 through 15, inclusive; in line 26, strike "A" and substitute "Except as provided under paragraphs (2) and (3) of this section, a"; after line 34, insert:

"(2) A member of the Employees' Retirement System or the Employees' Pension System who was an employee of the State on January 1, 1996 and is separated from employment as a result of the elimination of the employee's position in the State budget or by budget amendment after December 31, 1995 and before July 1, 1997, may retire if the member:

(Over)

(i) Submits a written application to the Board of Trustees:

1. From July 1, 1996 through August 31, 1996, both inclusive, if the member's position is eliminated in the State budget or by budget amendment before August 1, 1996;
or

2. Not later than 30 days after the member is separated from employment and before July 1, 1997, if the member's position is eliminated in the State budget or by budget amendment after July 31, 1996 and before July 1, 1997;

(ii) Is a member of the respective system on January 1, 1996; and

(iii) On or before June 30, 1997:

1. Has at least 30 years of creditable service; or

2. A. Has at least 20 years of creditable service; and

B. Is at least 45 years old;

(3) This section does not apply to members who are employees of:

(i) The Judicial Branch of government;

(ii) An institution of higher education and a public senior higher education institution, under Title 10 of the Education Article;

(iii) The Comptroller of the Treasury;

(iv) The Maryland Automobile Insurance Fund;

(v) The Maryland Stadium Authority; and

(vi) The Injured Workers Insurance Fund.”.

AMENDMENT NO. 3

On page 2, in line 28, strike “2” and substitute “1”.

AMENDMENT NO. 4

On page 2, in line 31, strike “April 1, 1996” and substitute “January 1, 1996”.

AMENDMENT NO. 5

On page 2, in line 32, strike “August 31, 1996:” and substitute “June 30, 1997:

1. Has at least 30 years of creditable service; or”;

and in lines 33 and 34, strike “1.” and “2.”, respectively, and substitute “2. A.” and “B.”, respectively.

AMENDMENT NO. 6

On page 2, in line 35, strike “(2)” and substitute “(4)”; in the same line, after “in” insert “paragraph (5) of this section and”; and after line 36, insert:

“(5) (i) An employee who has timely filed an application in accordance with paragraph (1) or paragraph (2) of this section of this Act but who does not satisfy the eligibility requirements of paragraph (1) or paragraph (2) of this section of this Act by August 31, 1996, shall retire on the first day of the month following the month in which the employee becomes eligible to retire under this Act.

“(ii) An employee who has timely filed an application in accordance with paragraph (2) (i) 2 of this section of this Act and who does satisfy the eligibility requirements as of the effective date of retirement specified in the application shall retire on the first day of the month following the month in which the employee files the application.”.

AMENDMENT NO. 7

On page 3, in line 1, strike “(3)” and substitute “(6)”; and after line 6, insert:

“(iii) If a member revokes an application for retirement that is allowed under

subparagraph (ii) of this paragraph, the Secretary of Budget and Fiscal Planning shall notify the Board of Trustees of the revocation not later than 2 weeks after the revocation;”.

AMENDMENT NO. 8

On page 3, in lines 7, 15, and 36, strike “(4)”, “(5)”, and “(6)”, respectively, and substitute “(7)”, “(8)”, and “(9)”, respectively; and in line 10, strike “6 months” and substitute “one-half of one year”.

On page 4, in line 13, strike “(7)” and substitute “(10)”; in the same line, strike “may” and substitute “: (i) May”; after line 14, insert:

“(ii) May not accept an application for retirement under this section of this Act that is filed with the State Retirement Agency after 5:00 p.m. on August 31, 1996, except as provided under paragraph (2)(i)2 of this section;

(11) A member who retires under this section of this Act may not receive a basic allowance that exceeds the member's average final compensation;”; in line 15, strike “(8)” and substitute “(12)”; and in the same line, strike “If” and substitute “Except as provided in paragraphs (13) and (14) of this section of this Act, if”.

AMENDMENT NO. 9

On page 4, after line 18, insert:

“(13) Notwithstanding any other provision of law, if an employee whose effective retirement date is delayed under Section 8 of this Act dies before the effective date of retirement, the employee's designated beneficiary shall have the option of either receiving the death benefit under Title 29, Subtitle 2 of the State Personnel and Pensions Article, including, if the designated beneficiary is eligible for an Option 2 allowance, an Option 2 allowance based on a retirement allowance computed as provided under this Act, or the retirement benefit based on the retirement allowance computed as provided under this Act that the designated beneficiary would otherwise be entitled to receive in accordance with the member's application for retirement; and

(14) Notwithstanding any other provision of law, if an employee who qualifies for retirement

under paragraph (2) of this section of this Act is separated from employment before becoming eligible for retirement and dies before the effective date of retirement, the employee's designated beneficiary shall have the option of either receiving the death benefit under Title 29, Subtitle 2 of the State Personnel and Pensions Article, including, if the designated beneficiary is eligible for an Option 2 allowance, an Option 2 allowance based on a retirement allowance computed as provided under this Act, of if the employee filed an application for retirement under this Act before the date of death, the retirement benefit based on the retirement allowance computed as provided under this Act that the designated beneficiary would otherwise be entitled to receive in accordance with the member's application for retirement.”.

AMENDMENT NO. 10

On page 4, in lines 23 and 24, strike beginning with “or” in line 23 down through “Judicial” in line 24; in line 24, after the semicolon, insert “or”; strike in their entirety lines 25 and 26; and in line 27, strike “(iii)” and substitute “(ii)”.

AMENDMENT NO. 11

On page 4, in line 29, strike “temporary” and substitute “permanent, temporary,”; and in line 33, strike “and”.

AMENDMENT NO. 12

On page 4, strike in their entirety lines 34 through 36, inclusive, and substitute:

“(3) No more than 2% of the total number of employees retiring under this Act may be reemployed in a contractual or temporary position in any branch of State government;

(4) The Board of Public Works may not approve the reemployment in a temporary or contractual position in the Executive Branch of State government of an employee who retires under this Act, if that reemployment would result in more than 2% of the retirees who retired under this Act being reemployed in a temporary or contractual position with the State;

(5) The President of the Senate and the Speaker of the House of Delegates may not approve the reemployment in a temporary or contractual position in the Legislative Branch of State

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government of an employee who retires under this Act, if that reemployment would result in more than 2% of the retirees who retired under this Act being reemployed in a temporary or contractual position with the State;

(6) The Department of Budget and Fiscal Planning shall review the applications for reemployment as contractual or temporary employees under this Act and shall advise the Board of Public Works if the reemployment of an individual will cause the 2% limit under paragraph (3) of this section of this Act to be exceeded; and

(7) The Department of Fiscal Services shall review the applications for reemployment as contractual or temporary employees under this Act and shall advise the President of the Senate and the Speaker of the House of Delegates if the reemployment of an individual will cause the 2% limit under paragraph (3) of this section of this Act to be exceeded.”.

AMENDMENT NO. 13

On page 5, in line 3, after “eliminate” insert “the number of positions”; in the same line, after “budget” insert “that is equivalent to”; strike beginning with “position” in line 3 down through “the” in line 4, and substitute “number of”; in line 5, after “under” insert “paragraph (1) of Section 2 of”; in the same line, strike “identify” and substitute “eliminate a number of positions from the proposed Fiscal Year 1998 State budget that is equivalent to”; strike beginning with “position” in line 5 down through “the” in line 6 and substitute “number of”; and strike beginning with “and” in line 7 down through “1998” in line 8; and after line 8, insert:

“(2) The positions eliminated in accordance with paragraph (1) of this section shall result in a total reduction in salaries that is equal to at least 60% of the total salaries of the positions vacated by members retiring on October 1, 1996 under this Act and in accordance with Section 8 of this Act; “.

On page 6, in lines 7 and 8, in each instance, after “under” insert “Section 4 of”.

On page 7, in lines 24 and 26, in each instance, after “by” insert “paragraph (1) of Section 2 of”.

AMENDMENT NO. 14

On page 5, in line 9, strike “(2)” and substitute “(3)”; in line 13, strike “(5)” and substitute

“(4)”; in the same line, after “authority” insert “that”; in line 14, strike “position identification numbers that” and substitute “positions”; strike beginning with “from” in line 14 down through “budget” in line 15; in line 15, after the semicolon insert “and”; strike in their entirety lines 16 through 28, inclusive; in line 29, strike “(5)” and substitute “(4)”; in the same line, strike “Except as provided in subparagraph (ii) of this paragraph, the” and substitute “The”; strike beginning with “other” in line 32 down through the semicolon in line 37 and substitute “; and”; in line 41, strike “government; and” and substitute “government.”; and in line 38 strike “(iii)” and substitute “(ii)”.

On page 6, strike in their entirety lines 1 through 3, inclusive; in line 13, strike “including each public senior higher education institution,”; strike beginning with “including” in line 14 down through the comma in line 15; in line 16, after the semicolon insert “and”; in line 20, strike “and”; and strike in their entirety lines 21 through 24, inclusive.

AMENDMENT NO. 15

On page 6, strike in their entirety lines 30 through 39 and substitute:

“(i) The amounts by which General Fund appropriations are reduced under this Act to the General Fund of the State; and

(ii) The amounts by which special fund appropriations are reduced under this Act to the respective special fund.”.

AMENDMENT NO. 16

On page 7, in line 4, strike “and”; in line 9, after the first “positions” insert “; position identification numbers.”; in line 13, strike the second “and”; in line 14, after “Act” insert “; and

(v) A list of the positions, position identification numbers, and the salary for the positions in the unit that are eliminated in the State budget or by budget amendment after December 31, 1995 and before July 1, 1997”; after line 34, insert:

“SECTION 9. AND BE IT FURTHER ENACTED, That for those employees who have been separated from employment because their position identification numbers have been eliminated in the State budget or by budget amendment at any time after December 31, 1995 and before July 1,

1997, and who do not retire under this Act, the State shall pay the entire cost of health insurance premiums for those employees to continue the health insurance the employees received while employed by the State, for a period of 12 months following the month of termination, or until those

former employees are covered by another employer subsidized health insurance plan through another employer, whichever comes first.”;

in lines 35 and 37, strike “9.” and “10.”, respectively, and substitute “10.” and “11.”, respectively.