
By: Delegates Curran, Poole, and Proctor

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Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

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CHAPTER ____

1 AN ACT concerning

2 **State Retirement and Pension System - Board of Trustees - Membership**

3 FOR the purpose of altering the eligibility requirements for membership on the Board of
4 Trustees for the State Retirement and Pension System to require a certain number
5 of the members to be retirees and a certain number of the members to be employed
6 members of certain systems; requiring a special election to be held under certain
7 circumstances; and generally relating to membership on the Board of Trustees.

8 BY repealing and reenacting, with amendments,
9 Article - State Personnel and Pensions
10 Section 21-104(a), (b), and (d)
11 Annotated Code of Maryland
12 (1994 Volume and 1996 Supplement)

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

15 **Article - State Personnel and Pensions**

16 21-104.

17 (a) The Board of Trustees consists of the following 14 trustees:

18 (1) the Secretary of Budget and Management, ex officio;

19 (2) the State Comptroller, ex officio;

20 (3) the State Superintendent of Schools, ex officio;

21 (4) the State Treasurer, ex officio, who may appoint a deputy treasurer as
22 designee;

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1 (5) the Secretary of the State Police, ex officio;

2 (6) two trustees who are members or retirees of the Correctional Officers'
3 Retirement System, the Employees' Pension System, the Employees' Retirement System,
4 the Judges' Retirement System, the Legislative Pension Plan, the Local Fire and Police
5 System, or the Law Enforcement Officers' Pension Plan, [only one of whom may be] OF
6 WHOM;

7 (I) ONE IS a retiree of any of those State systems at the time of
8 election under subsection (b) of this section ~~and~~;

9 (II) ONE IS A MEMBER OF ANY OF THOSE STATE SYSTEMS AND IS
10 EMPLOYED BY A PARTICIPATING EMPLOYER AT THE TIME OF ELECTION UNDER
11 SUBSECTION (B) OF THIS SECTION; AND

12 (III) neither of whom may be an employee of the State Retirement
13 Agency;

14 (7) two trustees who are members or retirees of the Teachers' Pension
15 System or the Teachers' Retirement System, [only one of whom may be] OF WHOM;

16 (I) ONE IS a retiree of either State system at the time of election
17 under subsection (b) of this section; AND

18 (II) ONE IS A MEMBER OF EITHER STATE SYSTEM AND IS
19 EMPLOYED BY A PARTICIPATING EMPLOYER AT THE TIME OF ELECTION UNDER
20 SUBSECTION (B) OF THIS SECTION;

21 (8) two trustees who are members or retirees of the State Police Retirement
22 System, of whom one is a retiree of the State Police Retirement System at the time of
23 election under subsection (b) of this section;

24 (9) one trustee who represents the interests of participating governmental
25 units in the Employees' Pension System and the Employees' Retirement System; and

26 (10) two trustees who:

27 (i) represent the interests of the public;

28 (ii) are not members of any of the several systems; and

29 (iii) are knowledgeable in the administration and operation of pension
30 systems and trust funds.

31 (b) (1) (i) The trustees who are members or retirees of the Correctional
32 Officers' Retirement System, the Employees' Pension System, the Employees'
33 Retirement System, the Judges' Retirement System, the Legislative Pension Plan, the
34 Local Fire and Police System, or the Law Enforcement Officers' Pension Plan shall be
35 elected by the members and the retirees of those State systems.

36 (ii) The trustees who are members or retirees of the Teachers' Pension
37 System or the Teachers' Retirement System shall be elected by the members and the
38 retirees of those State systems.

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1 (iii) The trustees who are members or retirees of the State Police
 2 Retirement System shall be elected by the members and the retirees of that State system.

3 (iv) The elections shall be conducted under regulations that the Board
 4 of Trustees adopts.

5 (v) A trustee is not eligible for reelection iff:

6 1. the trustee becomes a retiree of the Correctional Officers'
 7 Retirement System, the Employees' Pension System, the Employees' Retirement System,
 8 the Judges' Retirement System, the Legislative Pension Plan, the Local Fire and Police
 9 System, or the Law Enforcement Officers' Pension Plan, and the other elected trustee for
 10 those State systems is already a retiree of one of those State systems;

11 2. the trustee becomes a retiree of either the Teachers' Pension
 12 System or the Teachers' Retirement System and the other elected trustee for those State
 13 systems is already a retiree of one of those State systems; or

14 3.] the trustee becomes a retiree of the State Police Retirement
 15 System and the other elected trustee is already a retiree of that State system.

16 (2) The trustee who represents the interests of participating subdivisions in
 17 the Employees' Pension System and the Employees' Retirement System shall be
 18 appointed by the Governor.

19 (3) The trustees who represent the public shall be appointed by the
 20 Governor with the advice and consent of the Senate.

21 (d) (1) (i) The term of an appointed or elected trustee is 4 years.

22 (ii) Trustees who represent the public serve staggered 4-year terms.

23 (2) (I) A trustee who is a member but not a retiree of [the Correctional
 24 Officers' Retirement System, the Employees' Pension System, the Employees'
 25 Retirement System, the Judges' Retirement System, the Legislative Pension Plan, the
 26 Local Fire and Police System, the Law Enforcement Officers' Pension Plan,] the State
 27 Police Retirement System [, the Teachers' Pension System, or the Teachers' Retirement
 28 System] at the time of election of the trustee may complete the term of office even if,
 29 during the term, the trustee becomes a retiree of the State system of which the trustee
 30 was a member at the time of election.

31 (II) A TRUSTEE WHO IS A MEMBER BUT NOT A RETIREE OF THE
 32 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE EMPLOYEES' PENSION
 33 SYSTEM, THE EMPLOYEES' RETIREMENT SYSTEM, THE JUDGES' RETIREMENT
 34 SYSTEM, THE LEGISLATIVE PENSION PLAN, THE LOCAL FIRE AND POLICE SYSTEM,
 35 THE LAW ENFORCEMENT OFFICERS' PENSION PLAN, THE TEACHERS' PENSION
 36 SYSTEM, OR THE TEACHERS' RETIREMENT SYSTEM AT THE TIME OF ELECTION OF
 37 THE TRUSTEE MAY NOT COMPLETE THE TERM OF OFFICE IF, DURING THE TERM,
 38 THE TRUSTEE BECOMES A RETIREE OF THE STATE SYSTEM OF WHICH THE TRUSTEE
 39 WAS A MEMBER AT THE TIME OF ELECTION.

40 (III) IF A TRUSTEE UNDER SUBPARAGRAPH (II) OF THIS
 41 SUBSECTION RETIRES WHILE IN OFFICE, THE TRUSTEE SHALL VACATE THE OFFICE

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1 AS OF THE EFFECTIVE DATE OF RETIREMENT AND AN ELECTION SHALL BE HELD IN
2 ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION TO FILL THE VACANCY FOR
3 THE UNEXPIRED TERM.

4 (3) A vacancy in the office of a trustee shall be filled for the unexpired term
5 in the same manner as the office was previously filled.

6 (4) At the end of a term, a trustee continues to serve until a successor is
7 appointed or elected.

8 (5) A trustee who is appointed after a term has begun serves only for the
9 rest of the term and until a successor is selected and qualifies.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 1997.