
By: **Delegates Curran, Poole, Proctor, and Frank**
Introduced and read first time: January 22, 1998
Assigned to: Appropriations

A BILL ENTITLED

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

9 BY repealing and reenacting, with amendments,
10 Article - State Personnel and Pensions
11 Section 21-104(a), (b), and (d)
12 Annotated Code of Maryland
13 (1997 Replacement Volume)

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

16 **Article - State Personnel and Pensions**

17 21-104.

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

- 19 (1) the Secretary of Budget and Management, ex officio;
- 20 (2) the State Comptroller, ex officio;
- 21 (3) the State Superintendent of Schools, ex officio;
- 22 (4) the State Treasurer, ex officio, who may appoint a deputy treasurer
23 as designee;
- 24 (5) the Secretary of the State Police, ex officio;

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

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

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

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

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

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

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

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

23 (9) one trustee who represents the interests of participating
24 governmental units in the Employees' Pension System and the Employees'
25 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
30 pension 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.

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

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

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

9 (v) A trustee is not eligible for reelection if [:

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

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

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

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

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

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

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

30 (2) (I) A trustee who is a member but not a retiree of [the Correctional
31 Officers' Retirement System, the Employees' Pension System, the Employees'
32 Retirement System, the Judges' Retirement System, the Legislative Pension Plan, the
33 Local Fire and Police System, the Law Enforcement Officers' Pension Plan,] the State
34 Police Retirement System[, the Teachers' Pension System, or the Teachers'
35 Retirement System] at the time of election of the trustee may complete the term of
36 office even if, during the term, the trustee becomes a retiree of the State system of
37 which the trustee was a member at the time of election.

1 (II) A TRUSTEE WHO IS A MEMBER BUT NOT A RETIREE OF THE
2 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE EMPLOYEES' PENSION
3 SYSTEM, THE EMPLOYEES' RETIREMENT SYSTEM, THE JUDGES' RETIREMENT
4 SYSTEM, THE LEGISLATIVE PENSION PLAN, THE LOCAL FIRE AND POLICE SYSTEM,
5 THE LAW ENFORCEMENT OFFICERS' PENSION PLAN, THE TEACHERS' PENSION
6 SYSTEM, OR THE TEACHERS' RETIREMENT SYSTEM AT THE TIME OF ELECTION OF
7 THE TRUSTEE MAY NOT COMPLETE THE TERM OF OFFICE IF, DURING THE TERM, THE
8 TRUSTEE BECOMES A RETIREE OF THE STATE SYSTEM OF WHICH THE TRUSTEE WAS
9 A MEMBER AT THE TIME OF ELECTION.

10 (III) IF A TRUSTEE UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH
11 RETIRES WHILE IN OFFICE, THE TRUSTEE SHALL VACATE THE OFFICE AS OF THE
12 EFFECTIVE DATE OF RETIREMENT AND AN ELECTION SHALL BE HELD IN
13 ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION TO FILL THE VACANCY FOR
14 THE UNEXPIRED TERM.

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

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

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

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
22 effect October 1, 1998.