
By: **Delegate Proctor (Chairman, Joint Committee on Pensions)**

Introduced and read first time: January 29, 1998

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - Payroll Reporting Data**

3 FOR the purpose of requiring employers of employees who are eligible for
4 membership in one of the State retirement and pension systems to submit to the
5 State Retirement Agency certain payroll data within a certain time after the
6 payment of each payroll; providing for certain penalties and interest for failure
7 to submit the data; and generally relating to requirements for participating
8 employers to submit payroll data to the State Retirement Agency.

9 BY repealing and reenacting, with amendments,
10 Article - State Personnel and Pensions
11 Section 21-314
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 21-314.

18 (a) Each participating employer shall submit to the Board of Trustees a
19 statement that shows the name, date of birth, occupational title, duties,
20 compensation, length of service, and other information that the Board of Trustees
21 requires regarding employees or former employees of the participating employer.

22 (b) Each year the Board of Trustees shall certify the member contribution
23 rates to the chief fiscal officer of each participating employer.

24 (c) (1) In this subsection, "compensation" means a member's earnable
25 compensation as provided in § 20-101 of this article and includes the amount earned
26 by the member for all pay periods ending during a calendar year even if an amount is
27 paid to the member after December 31 of the calendar year.

1 (2) (I) As each payroll is paid or in a manner that the Board of
2 Trustees prescribes each participating employer shall certify to the Board of Trustees,
3 and the proper fiscal officer of the participating employer shall pay to the Board of
4 Trustees, the member contributions deducted from the compensation of each member
5 employed by the participating employer or made under an employer pickup program.

6 (II) WITHIN 5 DAYS AFTER THE PAYMENT OF EACH PAYROLL, EACH
7 PARTICIPATING EMPLOYER SHALL SUBMIT TO THE STATE RETIREMENT AGENCY
8 SUPPORTING PAYROLL DATA REQUIRED BY THE STATE RETIREMENT AGENCY IN A
9 FORMAT SPECIFIED BY THE STATE RETIREMENT AGENCY.

10 (d) (1) A participating employer that does not pay the member contributions
11 certified under this section to the Board of Trustees within the time required is liable
12 for:

13 (i) a penalty of 10% of the amounts due; and

14 (ii) interest on delinquent amounts at 10% a year until paid.

15 (2) A PARTICIPATING EMPLOYER THAT DOES NOT SUBMIT SUPPORTING
16 PAYROLL DATA AS REQUIRED BY THE STATE RETIREMENT AGENCY WITHIN THE
17 TIME REQUIRED IS LIABLE FOR:

18 (I) A LATE CHARGE OF \$250 FOR EACH PAYROLL FOR WHICH THE
19 SUPPORTING DATA IS LATE; AND

20 (II) INTEREST ON DELINQUENT LATE CHARGES AT 10% PER YEAR IF
21 THE LATE CHARGE IS NOT PAID BY THE DATE CERTIFIED BY THE STATE
22 RETIREMENT AGENCY.

23 (3) The Secretary of the Board of Trustees may allow a grace period for
24 payment of the amounts due under this section not to exceed 10 calendar days.

25 [(3)] (4) On notification by the Secretary of the Board of Trustees that a
26 delinquency exists, the State Comptroller immediately shall set off the delinquent
27 amount against any money due or coming due to the delinquent participating
28 employer.

29 (e) On receipt of the payments from the participating employer, the Board of
30 Trustees shall credit the amounts to the individual account of the member, from
31 whose compensation the member contribution is made, in the annuity savings fund of
32 the appropriate system.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 July 1, 1998.