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

Introduced and read first time: January 29, 1998

Assigned to: Appropriations

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 1998

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CHAPTER \_\_\_\_\_

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.

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

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

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

12 (II) WITHIN 5 WORKING DAYS AFTER THE PAYMENT OF EACH  
13 PAYROLL, EACH PARTICIPATING EMPLOYER SHALL SUBMIT TO THE STATE  
14 RETIREMENT AGENCY SUPPORTING PAYROLL DATA REQUIRED BY THE STATE  
15 RETIREMENT AGENCY IN A FORMAT SPECIFIED BY THE STATE RETIREMENT AGENCY.

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

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

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

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

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

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

29 (3) The Secretary of the Board of Trustees may allow a grace period for  
30 payment of the amounts due OR SUBMISSION OF SUPPORTING PAYROLL DATA AS  
31 REQUIRED under this section not to exceed 10 ~~calendar~~ WORKING days.

32 [(3)] (4) On notification by the Secretary of the Board of Trustees that a  
33 delinquency exists, the State Comptroller immediately shall set off the delinquent  
34 amount against any money due or coming due to the delinquent participating  
35 employer.

36 (e) On receipt of the payments from the participating employer, the Board of  
37 Trustees shall credit the amounts to the individual account of the member, from

1 whose compensation the member contribution is made, in the annuity savings fund of  
2 the appropriate system.

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