
By: **Senator Munson**

Introduced and read first time: February 4, 2000

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of altering the membership of the Board of Trustees for the State
4 Retirement and Pension System to include a certain number of members or
5 retirees of the Correctional Officers' Retirement System; providing that those
6 members of the Board of Trustees be elected by the members or retirees of the
7 Correctional Officers' Retirement System; and generally relating to the
8 membership of the Board of Trustees for the State Retirement and Pension
9 System.

10 BY repealing and reenacting, with amendments,
11 Article - State Personnel and Pensions
12 Section 21-104
13 Annotated Code of Maryland
14 (1997 Replacement Volume and 1999 Supplement)

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

17 **Article - State Personnel and Pensions**

18 21-104.

- 19 (a) The Board of Trustees consists of the following [14] 16 trustees:
- 20 (1) the Secretary of Budget and Management, ex officio;
 - 21 (2) the State Comptroller, ex officio;
 - 22 (3) the State Superintendent of Schools, ex officio;
 - 23 (4) the State Treasurer, ex officio, who may appoint a deputy treasurer
24 as designee;
 - 25 (5) the Secretary of the State Police, ex officio;

1 (6) two trustees who are members or retirees of [the Correctional
2 Officers' Retirement System,] the Employees' Pension System, the Employees'
3 Retirement System, the Judges' Retirement System, the Legislative Pension Plan, the
4 Local Fire and Police System, or the Law Enforcement Officers' Pension Plan, only
5 one of whom may be a retiree of any of those State systems at the time of election
6 under subsection (b) of this section and neither of whom may be an employee of the
7 State Retirement Agency;

8 (7) two trustees who are members or retirees of the Teachers' Pension
9 System or the Teachers' Retirement System, only one of whom may be a retiree of
10 either State system at the time of election under subsection (b) of this section;

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

14 (9) TWO TRUSTEES WHO ARE MEMBERS OR RETIREES OF THE
15 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, ONLY ONE OF WHOM MAY BE A
16 RETIREE OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AT THE TIME OF
17 ELECTION UNDER SUBSECTION (B) OF THIS SECTION;

18 (10) one trustee who represents the interests of participating
19 governmental units in the Employees' Pension System and the Employees'
20 Retirement System; and

21 [(10)] (11) two trustees who:

22 (i) represent the interests of the public;

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

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

26 (b) (1) (i) The trustees who are members or retirees of [the Correctional
27 Officers' Retirement System,] the Employees' Pension System, the Employees'
28 Retirement System, the Judges' Retirement System, the Legislative Pension Plan, the
29 Local Fire and Police System, or the Law Enforcement Officers' Pension Plan shall be
30 elected by the members and the retirees of those State systems.

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

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

1 (iv) THE TRUSTEES WHO ARE MEMBERS OR RETIREES OF THE
2 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM SHALL BE ELECTED BY THE
3 MEMBERS AND RETIREES OF THAT STATE SYSTEM.

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

6 [(v)] (VI) A trustee is not eligible for reelection if:

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

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

16 3. the trustee becomes a retiree of the State Police
17 Retirement System and the other elected trustee is already a retiree of that State
18 system; OR

19 4. THE TRUSTEE BECOMES A RETIREE OF THE
20 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM AND THE OTHER ELECTED
21 TRUSTEE IS ALREADY A RETIREE OF THAT STATE 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 (c) (1) Within 10 days after the appointment or election of an individual as
28 a trustee, the individual shall take and subscribe to an oath of office that, so far as it
29 devolves on the individual, as trustee the individual:

30 (i) will diligently and honestly administer the affairs of the Board
31 of Trustees; and

32 (ii) will not knowingly violate or willingly allow a violation of the
33 law applicable to the several systems.

34 (2) The officer before whom the individual takes the oath shall:

35 (i) certify the oath; and

1 (ii) submit the oath immediately to the office of the Secretary of
2 State for filing in that office.

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

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

6 (2) A trustee who is a member but not a retiree of the Correctional
7 Officers' Retirement System, the Employees' Pension System, the Employees'
8 Retirement System, the Judges' Retirement System, the Legislative Pension Plan, the
9 Local Fire and Police System, the Law Enforcement Officers' Pension Plan, the State
10 Police Retirement System, the Teachers' Pension System, or the Teachers' Retirement
11 System at the time of election of the trustee may complete the term of office even if,
12 during the term, the trustee becomes a retiree of the State system of which the
13 trustee was a member at the time of election.

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

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

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

20 (e) The Governor may remove a Governor-appointed trustee for incompetence
21 or misconduct.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 July 1, 2000.