

HOUSE BILL 1281

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2001 Regular Session
11r2709
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By: **Delegate Hutchins**

Introduced and read first time: February 14, 2001

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Law Enforcement Officers' Pension System - Transfers of Members of the**
3 **Mass Transit Police Force**

4 FOR the purpose of providing certain members of the Mass Transit Police Force with
5 the option of becoming members of the Law Enforcement Officers' Pension
6 System; providing for the deposit of employer contributions for certain members
7 of the Mass Transit Police Force into the accumulation fund of the Law
8 Enforcement Officers' Pension System; providing for certain members of the
9 Mass Transit Police Force to transfer service credit into the Law Enforcement
10 Officers' Pension System; providing that certain members of the Mass Transit
11 Police Force shall deposit contributions at a certain rate for a certain period of
12 time into the annuity savings fund for the Law Enforcement Officers' Pension
13 System; reducing a retirement allowance for certain members of the Mass
14 Transit Police Force who transfer into the Law Enforcement Officers' Pension
15 System and do not make certain contributions; exempting certain members of
16 the Mass Transit Police Force from participating in a certain retirement system
17 administered by the Mass Transit Authority; and generally relating to certain
18 members of the Mass Transit Police Force joining the Law Enforcement Officers'
19 Pension System.

20 BY repealing and reenacting, with amendments,
21 Article - State Personnel and Pensions
22 Section 26-201(a), 26-202, 26-203.1, and 37-201
23 Annotated Code of Maryland
24 (1997 Replacement Volume and 2000 Supplement)

25 BY adding to
26 Article - State Personnel and Pensions
27 Section 26-203.2
28 Annotated Code of Maryland
29 (1997 Replacement Volume and 2000 Supplement)

30 BY repealing and reenacting, with amendments,
31 Article - Transportation

1 Section 7-603
2 Annotated Code of Maryland
3 (1993 Replacement Volume and 2000 Supplement)

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

6 **Article - State Personnel and Pensions**

7 26-201.

8 (a) Except as provided in subsection (b) of this section, this subtitle applies
9 only to:

10 (1) an employee of the Department of Natural Resources commissioned
11 by the Secretary of Natural Resources as:

12 (i) a Natural Resources police officer; or

13 (ii) a law enforcement officer, other than a Natural Resources police
14 officer;

15 (2) a law enforcement officer employed by the Maryland Investigative
16 Services Unit;

17 (3) a member of the Maryland Transportation Authority Police Force
18 who has the powers granted to a police officer under § 4-208 of the Transportation
19 Article;

20 (4) a deputy sheriff employed by the Baltimore City Sheriff's
21 Department;

22 (5) a member of the University of Maryland Police Force who has the
23 powers granted to a police officer under § 13-601 of the Education Article;

24 (6) a law enforcement officer employed by a participating governmental
25 unit that on or after July 1, 1999 has elected to participate in the Law Enforcement
26 Officers' Pension System;

27 (7) the State Fire Marshal or a Deputy State Fire Marshal;

28 (8) a member of the Morgan State University Police Force who has the
29 powers granted to a police officer under § 14-106 of the Education Article;

30 (9) a member of the BWI Airport Fire & Rescue Department;

31 (10) a member of the Department of General Services Police Force who
32 has the powers granted to a police officer under § 4-605 of the State Finance and
33 Procurement Article;

1 (11) an employee of the Department of Health and Mental Hygiene
2 commissioned by the Secretary of Health and Mental Hygiene as a Health and Mental
3 Hygiene police officer;

4 (12) an employee of the Motor Vehicle Administration commissioned by
5 the Secretary of the Department of Transportation as a Motor Vehicle Administration
6 police officer; [or]

7 (13) an employee of the Department of Labor, Licensing, and Regulation
8 commissioned by the Secretary of Labor, Licensing, and Regulation as a Labor,
9 Licensing, and Regulation police officer; OR

10 (14) A SWORN EMPLOYEE OF THE MASS TRANSIT ADMINISTRATION
11 POLICE FORCE MANAGEMENT STAFF COMMISSIONED BY THE SECRETARY OF THE
12 DEPARTMENT OF TRANSPORTATION.

13 26-202.

14 (a) Except as provided in subsection (b) of this section, an individual described
15 in § 26-201 of this subtitle is a member of the Law Enforcement Officers' Pension
16 System as a condition of employment.

17 (b) (1) Subject to paragraph (2) of this subsection, membership in the Law
18 Enforcement Officers' Pension System is optional for an individual described in §
19 26-201 of this subtitle:

20 (i) who was employed by the Department of Natural Resources on
21 July 1, 1990 and who elects membership on or before December 31, 1997;

22 (ii) who was employed by the Maryland Investigative Services Unit
23 on June 30, 1995 and who elects membership on or before December 31, 1997;

24 (iii) who was employed by the Maryland Transportation Authority
25 on June 30, 1997 and who elects membership on or before December 31, 1997;

26 (iv) who was employed by the Baltimore City Sheriff's Department
27 on June 30, 1997 and who elects membership on or before December 31, 1997;

28 (v) who was employed by the University of Maryland Police Force
29 on June 30, 1999 and who elects membership on or before December 31, 1999;

30 (vi) who is employed by a participating governmental unit on the
31 effective date of participation on or after July 1, 1999 for that participating
32 governmental unit and who elects membership within 6 months of the effective date
33 of participation;

34 (vii) who was employed by the Maryland Port Administration Police
35 Force and was subsequently transferred to and employed by the Maryland
36 Transportation Authority Police Force on July 1, 1998 and who elects membership on
37 or before December 31, 1998;

1 (viii) who was employed by the office of the State Fire Marshal on
2 June 30, 1998 and who elects membership on or before December 31, 1998;

3 (ix) who was employed by the Morgan State University Police Force
4 on June 30, 1999 and who elects membership on or before December 31, 1999;

5 (x) who was employed by the BWI Airport Fire & Rescue
6 Department on June 30, 2000, and who elects membership on or before December 29,
7 2000; [or]

8 (xi) who was employed by the Department of General Services,
9 Department of Health and Mental Hygiene, Motor Vehicle Administration, and
10 Department of Labor, Licensing, and Regulation Police Force on June 30, 2000 and
11 who elects membership on or before December 29, 2000; OR

12 (XII) WHO WAS EMPLOYED BY THE MASS TRANSIT ADMINISTRATION
13 POLICE FORCE AS A SWORN MANAGEMENT EMPLOYEE ON JUNE 30, 2001, AND WHO
14 ELECTS MEMBERSHIP ON OR BEFORE DECEMBER 31, 2001.

15 (2) To elect to be a member of the Law Enforcement Officers' Pension
16 System, an individual shall file a written application with the State Retirement
17 Agency.

18 (3) If an individual does not elect membership during the applicable
19 period specified under paragraph (1) of this subsection, the individual may not
20 become a member of the Law Enforcement Officers' Pension System.

21 26-203.1.

22 (a) For members who transfer from the Employees' Pension System or the
23 Employees' Retirement System, the Board of Trustees shall transfer to the
24 accumulation fund of the Law Enforcement Officers' Pension System the employer
25 contributions that were made to the Employees' Retirement System and the
26 Employees' Pension System on behalf of those members who transferred, plus the
27 interest earned on those contributions through the date of transfer.

28 (b) For those full-time employees of the BWI Airport Fire & Rescue
29 Department who were employed on or after October 1, 1993 and who elect
30 membership in the Law Enforcement Officers' Pension System on or before December
31 31, 2000, the Board of Trustees shall transfer to the accumulation fund of the Law
32 Enforcement Officers' Pension System the employer contributions made to the
33 Employees' Retirement System and the Employees' Pension System on behalf of those
34 transferring members, plus the interest earned on those contributions through the
35 date of transfer.

36 (c) (1) For members who transfer from a local pension system, the local
37 pension system shall transfer to the Board of Trustees the employer contributions
38 that were made to the local pension system on behalf of those members who
39 transferred, plus the interest earned on those contributions through the date of
40 transfer.

1 (2) The Board of Trustees shall deposit any funds transferred under
2 paragraph (1) of this subsection in the accumulation fund of the Law Enforcement
3 Officers' Pension System.

4 (D) (1) THIS SUBSECTION APPLIES TO SWORN EMPLOYEES OF THE MASS
5 TRANSIT ADMINISTRATION POLICE FORCE MANAGEMENT STAFF COMMISSIONED BY
6 THE SECRETARY OF TRANSPORTATION, WHO TRANSFER TO THE LAW ENFORCEMENT
7 OFFICERS' PENSION SYSTEM ON OR BEFORE DECEMBER 31, 2001.

8 (2) THE BOARD OF TRUSTEES SHALL TRANSFER TO THE ACCUMULATION
9 FUND OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM THE EMPLOYER
10 CONTRIBUTIONS MADE TO THE PENSION SYSTEM UNDER § 7-603 OF THE
11 TRANSPORTATION ARTICLE ON BEHALF OF THOSE EMPLOYEES UNDER PARAGRAPH
12 (1) OF THIS SUBSECTION, PLUS THE INTEREST EARNED ON THOSE CONTRIBUTIONS
13 THROUGH THE DATE OF TRANSFER.

14 26-203.2.

15 (A) THIS SUBSECTION APPLIES TO SWORN EMPLOYEES OF THE MASS TRANSIT
16 ADMINISTRATION POLICE FORCE MANAGEMENT STAFF COMMISSIONED BY THE
17 SECRETARY OF TRANSPORTATION, WHO TRANSFER TO THE LAW ENFORCEMENT
18 OFFICERS' PENSION SYSTEM ON OR BEFORE DECEMBER 31, 2001.

19 (B) AN EMPLOYEE MAY TRANSFER THE EMPLOYEE'S ELIGIBILITY SERVICE
20 RECOGNIZED UNDER THE PENSION SYSTEM UNDER § 7-603 OF THE
21 TRANSPORTATION ARTICLE TO THE LAW ENFORCEMENT OFFICERS' PENSION
22 SYSTEM IF, WITHIN 1 YEAR AFTER BECOMING A MEMBER OF THE LAW
23 ENFORCEMENT OFFICERS' PENSION SYSTEM, THE INDIVIDUAL COMPLETES A CLAIM
24 FOR THE SERVICE CREDIT AND FILES IT WITH THE BOARD OF TRUSTEES ON A FORM
25 THAT THE ADMINISTRATOR PROVIDES.

26 (C) AN EMPLOYEE SHALL DEPOSIT IN THE ANNUITY SAVINGS FUND OF THE
27 LAW ENFORCEMENT OFFICERS' PENSION SYSTEM CONTRIBUTIONS AT THE RATE OF
28 4% OF THE INDIVIDUAL'S EARNABLE COMPENSATION WHILE A MEMBER OF THE
29 PENSION SYSTEM UNDER § 7-603 OF THE TRANSPORTATION ARTICLE AFTER JULY 1,
30 2000, INCLUDING REGULAR INTEREST ON THE CONTRIBUTIONS AT THE RATE OF 5%
31 PER YEAR COMPOUNDED ANNUALLY.

32 (D) ON RETIREMENT FROM THE LAW ENFORCEMENT OFFICERS' PENSION
33 SYSTEM, AN EMPLOYEE'S RETIREMENT ALLOWANCE SHALL BE REDUCED BY THE
34 ACTUARIAL EQUIVALENT OF THE AMOUNT DETERMINED UNDER SUBSECTION (C) OF
35 THIS SECTION IF THE EMPLOYEE ELECTS NOT TO DEPOSIT THOSE AMOUNTS IN THE
36 ANNUITY SAVINGS FUND OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.

37 37-201.

38 (a) Subject to subsection (b) of this section, this title applies to transfers from
39 a State or local retirement or pension system to another State or local retirement or
40 pension system only if:

- 1 (1) each system is operated on an actuarial basis; and
- 2 (2) under each system contributions that are computed to be sufficient to
3 provide the reserves needed to cover the benefits payable on account of the system's
4 members are made during the employment of members.

5 (b) This title does not apply to:

- 6 (1) a transfer to the Judges' Retirement System of the State of Maryland;
- 7 (2) a transfer to or from the Legislative Pension Plan of the State of
8 Maryland except to the extent provided by the Joint Resolution submitted to the
9 General Assembly by the General Assembly Compensation Commission under Article
10 III, § 15 of the Maryland Constitution;
- 11 (3) a transfer from the Employees' Retirement System of the State of
12 Maryland to the Employees' Pension System of the State of Maryland under § 22-212
13 or § 22-213 of this article;
- 14 (4) a transfer from the Teachers' Retirement System of the State of
15 Maryland to the Teachers' Pension System of the State of Maryland under § 22-212 or
16 § 22-213 of this article;
- 17 (5) a transfer between the Employees' Retirement System of the State of
18 Maryland and the Teachers' Retirement System of the State of Maryland;
- 19 (6) a transfer between the Employees' Pension System of the State of
20 Maryland and the Teachers' Pension System of the State of Maryland if the member
21 is not subject to the contributory pension benefit under Title 23, Subtitle 2, Part II of
22 this article in the previous and current system; [or]
- 23 (7) a transfer between the Employees' Pension System of the State of
24 Maryland and the Teachers' Pension System of the State of Maryland if the member
25 is subject to the contributory pension benefit under Title 23, Subtitle 2, Part II of this
26 article in the previous and current system; OR
- 27 (8) A TRANSFER BETWEEN THE PENSION SYSTEM UNDER § 7-603 OF THE
28 TRANSPORTATION ARTICLE TO THE LAW ENFORCEMENT OFFICERS' PENSION
29 SYSTEM UNDER § 26-203.2 OF THIS ARTICLE.

30 **Article - Transportation**

31 7-603.

32 (A) THIS SECTION DOES NOT APPLY TO A SWORN EMPLOYEE OF THE MASS
33 TRANSIT ADMINISTRATION POLICE FORCE MANAGEMENT STAFF COMMISSIONED BY
34 THE SECRETARY OF TRANSPORTATION.

35 [(a)] (B) The Administration may establish and maintain a system of pensions
36 and retirement benefits for any of its employees.

1 [(b)] (C) The Administration may:

2 (1) Fix the terms of and restrictions on admission to the system and the
3 classifications in it;

4 (2) Provide that individuals eligible for admission to the system are not
5 eligible for admission to or eligible to receive any benefits from any other pension
6 system, except social security benefits, if the other system is financed or funded,
7 whether wholly or partially or directly or indirectly, by funds paid or appropriated by
8 the Administration; and

9 (3) Provide a system of benefits payable to the beneficiaries and
10 dependents of any participant in the system after the death of the participant,
11 whether accidental or not and whether occurring in the performance of duty or not,
12 subject to any exceptions, conditions, restrictions, and classifications that the
13 Administration provides.

14 [(c)] (D) Unless the Administration determines otherwise, no employee of the
15 Administration and no beneficiary or dependent of any employee of the
16 Administration is eligible to receive any pension, retirement, or other benefit both
17 under the Administration's system and under any other pension or retirement system
18 established by an acquired transportation system or provided for under any collective
19 bargaining agreement between the Administration and the authorized
20 representatives of its employees.

21 [(d)] (E) The pension system shall be financed or funded as the
22 Administration determines economically feasible.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 July 1, 2001.