

SENATE BILL 309

Unofficial Copy
K4

2001 Regular Session
11r1678
CF 11r1040

By: **Senators Van Hollen, Currie, Hogan, Lawlah, McFadden, Middleton,
Neall, and Ruben**

Introduced and read first time: January 29, 2001

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Optional Retirement Program - Community Colleges - Employer and**
3 **Employee Contributions**

4 FOR the purpose of increasing the rate of employer contributions for certain
5 participants in the Optional Retirement Program who are employees of certain
6 community colleges or regional community colleges or the Baltimore City
7 Community College; requiring certain participants to make mandatory
8 contributions to the Program; and generally relating to the participation of
9 certain employees of certain community colleges in the Optional Retirement
10 Program.

11 BY repealing and reenacting, with amendments,
12 Article - State Personnel and Pensions
13 Section 30-205
14 Annotated Code of Maryland
15 (1997 Replacement Volume and 2000 Supplement)

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

18 **Article - State Personnel and Pensions**

19 30-205.

20 (a) Under the program, the State and the participating employees shall
21 contribute, to the extent required, toward the purchase of annuity contracts.

22 (b) A participating employee may elect to make contributions to no more than
23 two designated companies under the program for the same payroll period, if the
24 Board of Trustees determines that the election of more than one designated company
25 is administratively feasible.

26 (c) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (D) OF THIS SECTION:

1 (1) [On] ON behalf of each participating employee, the State shall
2 contribute 7.25% of the participating employee's annual earnable compensation[.];
3 AND

4 (2) [If] IF a participating employee's compensation is paid from special
5 or federal funds or both, the State's contribution to the program shall be paid from
6 those funds.

7 (D) BEGINNING ON JULY 1, 2002:

8 (1) ON BEHALF OF EACH PARTICIPATING EMPLOYEE WHO IS EMPLOYED
9 BY A COMMUNITY OR REGIONAL COMMUNITY COLLEGE ESTABLISHED UNDER TITLE
10 16 OF THE EDUCATION ARTICLE OR THE BALTIMORE CITY COMMUNITY COLLEGE,
11 THE STATE SHALL CONTRIBUTE 9.25% OF THE PARTICIPATING EMPLOYEE'S ANNUAL
12 EARNABLE COMPENSATION;

13 (2) IF THE COMPENSATION OF A PARTICIPATING EMPLOYEE DESCRIBED
14 IN ITEM (1) OF THIS SUBSECTION IS PAID FROM SPECIAL OR FEDERAL FUNDS OR
15 BOTH, THE STATE'S CONTRIBUTION TO THE PROGRAM SHALL BE PAID FROM THOSE
16 FUNDS; AND

17 (3) A PARTICIPATING EMPLOYEE DESCRIBED IN ITEM (1) OF THIS
18 SUBSECTION SHALL HAVE A CONTRIBUTION RATE OF 2% OF THE PARTICIPATING
19 EMPLOYEE'S ANNUAL EARNABLE COMPENSATION.

20 [(d)] (E) The Central Payroll Bureau shall pay contributions to the
21 appropriate designated company for the benefit of each participating employee.

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