

SENATE BILL 530

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2001 Regular Session
11r1756
CF 11r2746

By: **Senators Exum and Currie**

Introduced and read first time: February 2, 2001

Assigned to: Budget and Taxation

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 allowing certain members of the Mass Transit Police Force to
5 become members of the Law Enforcement Officers' Pension System; providing
6 for the deposit of employer contributions for certain members of the Mass
7 Transit Police Force into the accumulation fund of the Law Enforcement
8 Officers' Pension System; providing for certain members of the Mass Transit
9 Police Force to transfer service credit into the Law Enforcement Officers'
10 Pension System; providing that certain members of the Mass Transit Police
11 Force shall deposit contributions at a certain rate for a certain period of time
12 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 Mass Transit Police Force from participating in a certain retirement system
17 administered by the Mass Transit Administration; and generally relating to
18 certain members of the Mass Transit Police Force joining the Law Enforcement
19 Officers' Pension System.

20 BY repealing and reenacting, with amendments,
21 Article - State Personnel and Pensions
22 Section 26-201(a), 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 MEMBER OF THE MASS TRANSIT AUTHORITY POLICE FORCE WHO
11 HAS THE POWERS GRANTED TO A POLICE OFFICER UNDER § 7-207 OF THE
12 TRANSPORTATION ARTICLE.

13 26-203.1.

14 (a) For members who transfer from the Employees' Pension System or the
15 Employees' Retirement System, the Board of Trustees shall transfer to the
16 accumulation fund of the Law Enforcement Officers' Pension System the employer
17 contributions that were made to the Employees' Retirement System and the
18 Employees' Pension System on behalf of those members who transferred, plus the
19 interest earned on those contributions through the date of transfer.

20 (b) For those full-time employees of the BWI Airport Fire & Rescue
21 Department who were employed on or after October 1, 1993 and who elect
22 membership in the Law Enforcement Officers' Pension System on or before December
23 31, 2000, the Board of Trustees shall transfer to the accumulation fund of the Law
24 Enforcement Officers' Pension System the employer contributions made to the
25 Employees' Retirement System and the Employees' Pension System on behalf of those
26 transferring members, plus the interest earned on those contributions through the
27 date of transfer.

28 (c) (1) For members who transfer from a local pension system, the local
29 pension system shall transfer to the Board of Trustees the employer contributions
30 that were made to the local pension system on behalf of those members who
31 transferred, plus the interest earned on those contributions through the date of
32 transfer.

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

36 (D) (1) THIS SUBSECTION APPLIES TO MEMBERS OF THE MASS TRANSIT
37 POLICE FORCE WHO:

38 (I) HAVE THE POWERS GRANTED TO A POLICE OFFICER UNDER §
39 7-207 OF THE TRANSPORTATION ARTICLE; AND

1 (II) TRANSFER TO THE LAW ENFORCEMENT OFFICERS' PENSION
2 SYSTEM ON OR BEFORE DECEMBER 31, 2001.

3 (2) THE BOARD OF TRUSTEES SHALL TRANSFER TO THE ACCUMULATION
4 FUND OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM THE EMPLOYER
5 CONTRIBUTIONS MADE TO THE PENSION SYSTEM UNDER § 7-603 OF THE
6 TRANSPORTATION ARTICLE ON BEHALF OF THOSE MEMBERS UNDER PARAGRAPH (1)
7 OF THIS SUBSECTION, PLUS THE INTEREST EARNED ON THOSE CONTRIBUTIONS
8 THROUGH THE DATE OF TRANSFER.

9 26-203.2.

10 (A) THIS SECTION APPLIES TO A MEMBER OF THE MASS TRANSIT POLICE
11 FORCE WHO:

12 (1) HAS THE POWERS GRANTED TO A POLICE OFFICER UNDER § 7-207 OF
13 THE TRANSPORTATION ARTICLE; AND

14 (2) WHO TRANSFERS TO THE LAW ENFORCEMENT OFFICERS' PENSION
15 SYSTEM ON OR BEFORE DECEMBER 31, 2001.

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

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

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

34 37-201.

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

38 (1) each system is operated on an actuarial basis; and

1 (2) under each system contributions that are computed to be sufficient to
 2 provide the reserves needed to cover the benefits payable on account of the system's
 3 members are made during the employment of members.

4 (b) This title does not apply to:

5 (1) a transfer to the Judges' Retirement System of the State of Maryland;

6 (2) a transfer to or from the Legislative Pension Plan of the State of
 7 Maryland except to the extent provided by the Joint Resolution submitted to the
 8 General Assembly by the General Assembly Compensation Commission under Article
 9 III, § 15 of the Maryland Constitution;

10 (3) a transfer from the Employees' Retirement System of the State of
 11 Maryland to the Employees' Pension System of the State of Maryland under § 22-212
 12 or § 22-213 of this article;

13 (4) a transfer from the Teachers' Retirement System of the State of
 14 Maryland to the Teachers' Pension System of the State of Maryland under § 22-212 or
 15 § 22-213 of this article;

16 (5) a transfer between the Employees' Retirement System of the State of
 17 Maryland and the Teachers' Retirement System of the State of Maryland;

18 (6) a transfer between the Employees' Pension System of the State of
 19 Maryland and the Teachers' Pension System of the State of Maryland if the member
 20 is not subject to the contributory pension benefit under Title 23, Subtitle 2, Part II of
 21 this article in the previous and current system; [or]

22 (7) a transfer between the Employees' Pension System of the State of
 23 Maryland and the Teachers' Pension System of the State of Maryland if the member
 24 is subject to the contributory pension benefit under Title 23, Subtitle 2, Part II of this
 25 article in the previous and current system; OR

26 (8) A TRANSFER BETWEEN THE PENSION SYSTEM UNDER § 7-603 OF THE
 27 TRANSPORTATION ARTICLE TO THE LAW ENFORCEMENT OFFICERS' PENSION
 28 SYSTEM UNDER § 26-203.2 OF THIS ARTICLE.

29 **Article - Transportation**

30 7-603.

31 (A) THIS SECTION DOES NOT APPLY TO A MEMBER OF THE MASS TRANSIT
 32 AUTHORITY POLICE FORCE WHO HAS THE POWERS GRANTED TO A POLICE OFFICER
 33 UNDER § 7-207 OF THIS ARTICLE.

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

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

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

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

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

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

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

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