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Introduced and read first time: February 13, 2004
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: April 1, 2004

CHAPTER _____

1 AN ACT concerning

2 **Task Force on the Exemption of Law Enforcement Officers' Pensions from**
3 **Taxation**

4 FOR the purpose of establishing a Task Force on the Exemption of Law Enforcement
5 Officers' Pensions from Taxation; establishing the membership of the Task
6 Force; requiring that Task Force members be appointed by a certain date;
7 requiring the Governor to designate a chairman of the Task Force; requiring the
8 State Retirement Agency to staff the Task Force; providing that a Task Force
9 member is entitled to reimbursement for certain expenses; requiring the Task
10 Force to study the issue of exempting members of certain retirement or pension
11 systems from paying State income taxes on their pensions; requiring the Task
12 Force to report to the Governor and General Assembly on or before a certain
13 date; providing for the termination of this Act; and generally relating to the Task
14 Force on the Exemption of Law Enforcement Officers' Pensions from Taxation.

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That:

17 (a) There is a Task Force on the Exemption of Law Enforcement Officers'
18 Pensions from Taxation.

19 (b) The Task Force consists of the following members:

20 (1) two members of the Senate, appointed by the President of the Senate;

- 1 (2) two members of the House of Delegates, appointed by the Speaker of
2 the House;
- 3 (3) the Secretary of Budget and Management, or the Secretary's
4 designee;
- 5 (4) the State Treasurer, or the Treasurer's designee;
- 6 (5) the Comptroller of Maryland, or the Comptroller's designee;
- 7 (6) the Executive Director of the State Retirement Agency, or the
8 Executive Director's designee;
- 9 (7) one representative of members of the State Police Retirement
10 System, appointed by the Governor; ~~and~~
- 11 (8) one representative of members of the Law Enforcement Officers'
12 Pension System, appointed by the Governor;
- 13 (9) one representative of the Maryland State Fraternal Order of Police,
14 appointed by the Governor; and
- 15 (10) one representative of the Baltimore Retired Police Benevolent
16 Association, appointed by the Governor.
- 17 (c) The members of the Task Force shall be appointed on or before June 30,
18 2004.
- 19 (d) The Governor shall designate the chairman of the Task Force.
- 20 (e) The State Retirement Agency shall provide staff for the Task Force.
- 21 (f) A member of the Task Force:
- 22 (1) may not receive compensation; but
- 23 (2) is entitled to reimbursement for expenses under the Standard State
24 Travel Regulations, as provided in the State budget.
- 25 (g) The Task Force shall study the issue of exempting members of the State
26 Police Retirement System, the Law Enforcement Officers' Pension System, the Local
27 Fire and Police System, ~~and~~ any local pension or retirement system for law
28 enforcement officers, ~~and parole and probation officers who are members of the~~
29 Employees' Retirement System or the Employees' Pension System from paying State
30 income taxes on their pensions, including:
- 31 (1) the benefit that members of these retirement or pension systems
32 would derive from such an exemption;
- 33 (2) the impact on State revenues and the ongoing structural budget
34 deficit;

1 (3) the impact on the State Retirement and Pension System; and

2 (4) the administrative and legal changes necessary to implement such an
3 exemption.

4 (h) The Task Force shall report its findings to the Governor and, in accordance
5 with § 2-1246 of the State Government Article, the General Assembly, on or before
6 December 31, 2004.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 June 1, 2004. It shall remain effective for a period of 8 months and, at the end of
9 January 31, 2005, with no further action required by the General Assembly, this Act
10 shall be abrogated and of no further force and effect.