

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 930

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in lines 8, 10, 14, and 16, in each instance, strike “Mass” and substitute “Maryland”; in line 6, after “System;” insert “requiring the Maryland Transit Administration to pay to the Board of Trustees for the State Retirement and Pension System certain employer contributions and to transfer certain employer contributions to the Board of Trustees;”; in line 7, strike “transfer” and substitute “deposit”; in line 11, strike “deposit” and substitute “make a certain election regarding payment of certain”; strike beginning with “at” in line 11 down through “System” in line 13 and substitute “in a certain manner”; in line 13, after the semicolon insert “requiring the Maryland Transit Administration to perform certain calculations and compile certain information for the Board of Trustees of the State Retirement and Pension System; specifying certain methods for calculating and paying certain member contributions; requiring the Maryland Transit Administration to make certain payments to the Board of Trustees of the State Retirement and Pension System under certain circumstances; requiring that the retirement allowance of certain members of the Maryland Transit Administration be reduced by a certain amount;”; in line 17, after the semicolon insert “providing that certain transfers of members from the Maryland Transit Administration Pension System to the Law Enforcement Officers’ Pension System is the result of a collectively bargained agreement; requiring the Maryland Transit Administration to provide certain assistance to the Board of Trustees for the State Retirement and Pension System;”; in line 23, strike “, 26-202, 26-203.1, and 37-201” and substitute “and 26-203.1”; and in line 28, after “Section” insert “21-307(m) and”.

AMENDMENT NO. 2

On page 2, after line 12, insert:

“21-307.

(M) FOR EACH EMPLOYEE OF THE MARYLAND TRANSIT ADMINISTRATION WHO IS A MEMBER OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, THE

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MARYLAND TRANSIT ADMINISTRATION SHALL PAY TO THE BOARD OF TRUSTEES THE EMPLOYER CONTRIBUTIONS OTHERWISE REQUIRED TO BE MADE BY THE STATE ON BEHALF OF THE MEMBER.”.

AMENDMENT NO. 3

On page 3, in line 24, strike “SWORN”.

On pages 3 through 5, strike in their entirety the lines beginning with line 27 on page 3 through line 10 on page 5, inclusive.

AMENDMENT NO. 4

On pages 5 and 6, strike in their entirety the lines beginning with line 34 on page 5 through line 6 on page 6, inclusive, and substitute:

“(D) (1) ON OR BEFORE JANUARY 1, 2006, FOR MEMBERS WHO TRANSFER FROM THE MARYLAND TRANSIT ADMINISTRATION PENSION SYSTEM ESTABLISHED UNDER § 7-603 OF THE TRANSPORTATION ARTICLE, THE MARYLAND TRANSIT ADMINISTRATION SHALL TRANSFER TO THE BOARD OF TRUSTEES THE EMPLOYER CONTRIBUTIONS MADE TO THE PENSION SYSTEM ESTABLISHED UNDER § 7-603 OF THE TRANSPORTATION ARTICLE ON BEHALF OF THOSE MEMBERS WHO TRANSFER, PLUS THE INTEREST EARNED ON THOSE CONTRIBUTIONS THROUGH JULY 1, 2005.

(2) THE BOARD OF TRUSTEES SHALL DEPOSIT ANY FUNDS TRANSFERRED UNDER PARAGRAPH (1) OF THIS SUBSECTION IN THE ACCUMULATION FUND OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.”.

AMENDMENT NO. 5

On page 6, in line 8, strike “SWORN”; in the same line, strike “MASS” and substitute “MARYLAND”; strike in their entirety lines 14 through 31, inclusive, and substitute:

“(B) BEFORE THE TRANSFER OF A MEMBER TO THE LAW ENFORCEMENT OFFICERS’ PENSION SYSTEM, THE MARYLAND TRANSIT ADMINISTRATION SHALL PERFORM ALL CALCULATIONS AND COMPILE ALL NECESSARY INFORMATION AND DOCUMENTATION AS DIRECTED OR REQUIRED BY THE STATE RETIREMENT AND PENSION SYSTEM FOR THE TRANSFER OF EACH INDIVIDUAL ACCOUNT.

(C) (1) AT LEAST 60 DAYS BEFORE TRANSFERRING TO THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, A MEMBER OF THE MARYLAND TRANSIT ADMINISTRATION POLICE FORCE MAY ELECT TO PAY ALL OR A PORTION OF THE MEMBER CONTRIBUTION THAT WOULD HAVE BEEN PAID BY A MEMBER OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM FOR THE PERIOD OF TIME THE MEMBER OF THE MARYLAND TRANSIT ADMINISTRATION POLICE FORCE WAS EMPLOYED WITH THE MARYLAND TRANSIT ADMINISTRATION FROM JULY 1, 2000 THROUGH DECEMBER 31, 2005.

(2) A MEMBER WHO ELECTS TO PAY ALL OR A PORTION OF THE MEMBER CONTRIBUTIONS UNDER PARAGRAPH (1) OF THIS SUBSECTION, SHALL PAY THE MARYLAND TRANSIT ADMINISTRATION IN ACCORDANCE WITH SUBSECTION (E)(1) OF THIS SECTION.

(3) THE MEMBER SHALL COMPLETE AND FILE WITH THE MARYLAND TRANSIT ADMINISTRATION A FORM STATING THE MEMBER'S INTENT TO PAY ALL OR A PORTION OF THE MEMBER CONTRIBUTIONS UNDER THIS SUBSECTION.

(4) THE MARYLAND TRANSIT ADMINISTRATION SHALL COORDINATE AND MANAGE THE MEMBER'S ELECTION TO PAY ALL OR A PORTION OF THE MEMBER CONTRIBUTIONS UNDER THIS SUBSECTION.

(D) IF A MEMBER ELECTS NOT TO PAY ALL OR A PORTION OF THE MEMBER CONTRIBUTIONS AS PROVIDED IN SUBSECTION (C) OF THIS SECTION:

(1) THE MARYLAND TRANSIT ADMINISTRATION MAY NOT PAY ANY AMOUNT OF MEMBER CONTRIBUTIONS DUE FOR PRIOR SERVICE CREDIT FOR THAT MEMBER TO THE BOARD OF TRUSTEES; AND

(2) ON RETIREMENT FROM THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, THE MEMBER'S RETIREMENT ALLOWANCE SHALL BE REDUCED BY THE ACTUARIAL EQUIVALENT OF THE MEMBER CONTRIBUTIONS THAT WOULD

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HAVE BEEN DEDUCTED IF THE MEMBER HAD EARNED THE SERVICE CREDIT UNDER THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, INCLUDING INTEREST ON THOSE CONTRIBUTIONS.

(E) (1) IF A MEMBER ELECTS TO PAY FOR ALL OR A PORTION OF THE MEMBER CONTRIBUTIONS AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, THE MEMBER SHALL PAY THE MARYLAND TRANSIT ADMINISTRATION 4% OF THE MEMBER'S MARYLAND TRANSIT ADMINISTRATION ANNUAL SALARY ON FEBRUARY 23, 2005, MULTIPLIED BY 50% OF THE MEMBER'S NUMBER OF YEARS OF SERVICE, INCLUDING PARTIAL YEARS, FROM JULY 1, 2000 THROUGH JULY 1, 2005.

(2) PAYMENTS MADE UNDER THIS SUBSECTION SHALL BEGIN THE FIRST PAY PERIOD OF 2006 AND CONTINUE UNTIL THE TOTAL AMOUNT OWED BY THE MEMBER IS PAID.

(3) THE MARYLAND TRANSIT ADMINISTRATION SHALL ADMINISTER AND MANAGE THE PAYMENTS AS FOLLOWS:

(I) THE MEMBER SHALL PAY TO THE MARYLAND TRANSIT ADMINISTRATION, THROUGH PAYROLL DEDUCTIONS, THE SUM OF \$30 PER WEEK UNTIL THE AMOUNT AS CALCULATED BY THE MARYLAND TRANSIT ADMINISTRATION IS PAID;

(II) THE MEMBER SHALL PAY THE MARYLAND TRANSIT ADMINISTRATION ANY REMAINING BALANCE DUE AT THE TIME OF SEPARATION FROM SERVICE WITH THE MARYLAND TRANSIT ADMINISTRATION; AND

(III) ANY AMOUNT REMAINING TO BE PAID BY A MEMBER WHO DIES WHILE STILL EMPLOYED BY THE MARYLAND TRANSIT ADMINISTRATION SHALL BE FORGIVEN BY THE MARYLAND TRANSIT ADMINISTRATION.

(4) FOR A MEMBER WHO ELECTS TO PAY A PORTION OF THE MEMBER CONTRIBUTIONS UNDER THIS SECTION, THE STATE RETIREMENT AND PENSION SYSTEM SHALL BILL THE MARYLAND TRANSIT ADMINISTRATION, AND THE MARYLAND TRANSIT ADMINISTRATION SHALL PAY, THE ENTIRE AMOUNT OF

MEMBER CONTRIBUTIONS DUE FOR THE PERIOD OF JULY 1, 2000 THROUGH JULY 1, 2005, INCLUDING INTEREST, NO LATER THAN JANUARY 1, 2006, AS SPECIFIED BY THE STATE RETIREMENT AND PENSION SYSTEM.

(F) (1) IF A MEMBER PARTICIPATED IN THE MARYLAND TRANSIT ADMINISTRATION'S SUPPLEMENTAL PENSION PLAN IN ADDITION TO THE MARYLAND TRANSIT ADMINISTRATION'S PENSION SYSTEM, THE MEMBER'S RETIREMENT ALLOWANCE SHALL BE REDUCED BY THE SET-OFF AMOUNT THAT WAS FIXED UPON TERMINATION OF THE SUPPLEMENTAL PENSION PLAN IN DECEMBER 2003.

(2) THE MARYLAND TRANSIT ADMINISTRATION SHALL PROVIDE THE NAMES AND SET-OFF AMOUNTS FOR ALL MEMBERS TO THE STATE RETIREMENT AND PENSION SYSTEM AT THE TIME OF RETIREMENT."

AMENDMENT NO. 6

On pages 6 through 7, strike in their entirety the lines beginning with line 32 on page 6 through line 25 on page 7, inclusive.

On page 8, in line 30, strike "SWORN"; and strike beginning with "IF" in line 32 down through "ARTICLE" in line 35.

AMENDMENT NO. 7

On page 9, after line 22, insert:

"SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The transfer of the members of the Maryland Transit Administration Police Force into the Law Enforcement Officers' Pension System is the result of and as provided in a collectively bargained agreement as required pursuant to § 7-602 of the Transportation Article.

(b) The Maryland Transit Administration shall administer the preparations for transferring employees into the Law Enforcement Officers' Pension System in a manner to minimize

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the administrative burdens on the Board of Trustees of the State Retirement and Pension System.”;
and in line 23, strike “2.” and substitute “3.”.