

ENROLLED BILL
-- Budget and Taxation/Appropriations --

Introduced by **Senator Kasemeyer**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Task Force to Study Retiree Health Care Funding Options and Alternative**
3 **Retirement System Options**

4 FOR the purpose of establishing a Task Force to Study Retiree Health Care Funding
5 Options and Alternative Retirement System Options; providing for the
6 membership, chair, duties, and staffing of the Task Force; requiring the Task
7 Force to report to the Governor and the General Assembly on its findings;
8 providing for the termination of this Act; and generally relating to the
9 establishment of a Task Force to Study Retiree Health Care Funding Options
10 and Alternative Retirement System Options.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That:

13 (a) There is a Task Force to Study Retiree Health Care Funding Options and
14 Alternative Retirement System Options.

15 (b) The Task Force shall consist of the following members:

1 (1) three members from the House of Delegates, appointed by the
2 Speaker of the House from among the members of the Joint Committee on Pensions;

3 (2) three members from the Senate, appointed by the President of the
4 Senate from among the members of the Joint Committee on Pensions; ~~and~~

5 ~~(3)~~ (3) the Treasurer, or the Treasurer's designee;

6 ~~(4)~~ (4) the Comptroller, or the Comptroller's designee; and

7 ~~(5)~~ (5) the Secretary of Budget and Management, or the Secretary's
8 designee.

9 (c) The President of the Senate and the Speaker of the House of Delegates
10 shall jointly designate the Chair of the Task Force;

11 (d) The Task Force shall:

12 (1) commission an actuarial valuation of the liabilities associated with
13 the State's retiree health insurance subsidy and in accordance with the standards
14 established in the Government Accounting Standards Board Statement 45, with the
15 costs of the valuation to be borne by the Department of Budget and Management; and

16 (2) develop options for addressing the unfunded liability associated with
17 State retiree health care that will have to be included on the State's financial
18 statements beginning in fiscal 2007 as a result of Government Accounting Standards
19 Board Statement 45, and evaluate the costs associated with each option;

20 ~~(3) consider implementing a defined contribution retirement system as~~
21 ~~the primary retirement system for State employees, rather than the existing defined~~
22 ~~benefit plan; and~~

23 ~~(4) study other states with defined contribution retirement systems as~~
24 ~~their primary retirement system.~~

25 (e) The Task Force shall be staffed by the Department of Legislative Services.

26 (f) The Task Force shall issue a final report of its findings and
27 recommendations to the Governor and, subject to § 2-1246 of the State Government
28 Article, to the General Assembly on or before December 31, 2005.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 July 1, 2005. It shall remain effective for a period of 6 months and, at the end of
31 December 31, 2005, with no further action required by the General Assembly, this Act
32 shall be abrogated and of no further force and effect.

