

**ENROLLED BILL**

-- Budget and Taxation/Appropriations --

Introduced by **Senator Kasemeyer (Chairman, Joint Committee on Pensions)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

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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 **State and Local Pension Systems - Uniform Management of Public**  
3 **Employee Retirement Systems Act**

4 FOR the purpose of requiring a county or municipal corporation in the State that  
5 establishes a public pension system on or after a certain date to adhere to  
6 certain principles with regard to the investment and management of certain  
7 public funds; providing that certain provisions of this Act may not be construed to  
8 affect the authority of the State or certain local jurisdictions over the budget for  
9 certain public pension plans; requiring the Board of Trustees of the State  
10 Retirement and Pension System and the governing bodies of certain local  
11 pension systems established before a certain date to certify certain information  
12 to the Joint Committee on Pensions on or before a certain date; and generally  
13 relating to the investment of funds by governing bodies of State and local  
14 pension systems.

15 BY adding to  
16 Article - State Personnel and Pensions

1 Section 40-101 to be under the new title "Title 40. Operation of Retirement  
2 Plans"  
3 Annotated Code of Maryland  
4 (2004 Replacement Volume)

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

7 **Article - State Personnel and Pensions**

8 TITLE 40. OPERATION OF RETIREMENT PLANS.

9 40-101.

10 (A) IN THIS SECTION, "LOCAL JURISDICTION" MEANS ANY COUNTY OR  
11 MUNICIPAL CORPORATION IN THE STATE.

12 (B) SUBJECT TO ANY OTHER PROVISION OF STATE OR FEDERAL LAW, A LOCAL  
13 JURISDICTION THAT ESTABLISHES A PUBLIC PENSION SYSTEM ON OR AFTER JULY 1,  
14 2005, IS REQUIRED TO ADHERE TO THE PRINCIPLES INCORPORATED IN THE UNIFORM  
15 MANAGEMENT OF PUBLIC EMPLOYEE RETIREMENT SYSTEMS ACT THAT ADDRESS  
16 THE INVESTMENT AND MANAGEMENT OF FUNDS FOR A PUBLIC PENSION SYSTEM.

17 (C) THIS SECTION MAY NOT BE CONSTRUED TO AFFECT THE AUTHORITY OF  
18 THE LEGISLATIVE GOVERNING BODY OF A LOCAL JURISDICTION OVER THE BUDGET  
19 FOR A PUBLIC PENSION SYSTEM ESTABLISHED ON OR AFTER JULY 1, 2005.

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

21 (a) In this section, "local system" means a county or municipal public pension  
22 system.

23 (b) (1) On or before July 1, 2006, the Board of Trustees for the State  
24 Retirement and Pension System and the governing body of any local system  
25 established before July 1, 2005, shall certify to the Joint Committee on Pensions that  
26 the plan provisions governing these public plans adhere to the principles incorporated  
27 in the Uniform Management of Public Employee Retirement Systems Act that  
28 address the investment and management of funds for a public pension system.

29 (2) If the plan provisions governing the State Retirement and Pension  
30 System or a local system do not adhere to the principles incorporated in the Uniform  
31 Management of Public Employee Retirement Systems Act, the governing body of that  
32 plan shall explain any deviations in its certification to the Joint Committee on  
33 Pensions.

34 (c) This section may not be construed to affect the authority of the General  
35 Assembly or the legislative governing body of a local jurisdiction over the budget for a  
36 public pension system established before July 1, 2005.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 July 1, 2005.