

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 59  
Budget and Taxation

(Senator Kelley, *et al.*)

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Task Force to Study the Maryland Teachers' Pension System and the Teachers'  
Retirement System

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This bill establishes a Task Force to Study the Maryland Teachers' Pension System and the Teachers' Retirement System. The task force must study the accessibility of postretirement benefits for members, specifically those with service in multiple local school systems, compare the retirement benefit levels of members with those of teachers in neighboring states, and make recommendations for changes to systems. The Department of Budget and Management (DBM) and the State Retirement Agency (SRA) are required to provide staffing for the task force. The task force must report to the Governor and the General Assembly by January 10, 2006.

The bill terminates June 30, 2006.

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Fiscal Summary

**State Effect:** Any expense reimbursements for the task force members and staffing costs for DBM and SRA are assumed to be minimal and absorbable within existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Background:** Chapter 403 of 2003 requires DBM to conduct, or hire an independent third party not affiliated with DBM or SRA to conduct, a peer benefits study of the several systems, beginning September 1, 2004 and every four years thereafter. The findings of either DBM or the independent third party must be submitted to the Joint Committee on Pensions by December 31 of the appropriate year. Findings were not submitted to the Joint Committee on Pensions during the 2004 interim.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Milliman USA, Maryland State Retirement Agency, Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - February 8, 2005  
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