SB0515/674467/1

BY: Appropriations Committee

AMENDMENTS TO SENATE BILL 515

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 7, after the semicolon insert "requiring that certain eligible governmental units are responsible for certain member contributions under certain circumstances;"; in line 19, after "individuals;" insert "providing that certain members of the Employees' Retirement System may receive a certain number of years of service credit for certain employment under certain circumstances;"; and in line 20, after "Act;" insert "providing for the application of a certain provision of this Act; providing for the termination of a certain provision of this Act;".

On page 2, in line 3, after "23-201," insert "23-204,".

AMENDMENT NO. 2

On page 18, in line 17, after "<u>OF</u>" insert "<u>FIRST</u>"; and in line 20, strike "**IRREVOCABLE**" and substitute "A **ONE-TIME IRREVOCABLE ELECTION**".

On page 19, in lines 2 and 20, in each instance, after the first "OF" insert "FIRST"; strike beginning with "THE" in line 7 down through "EMPLOYMENT" in line 8 and substitute "FIRST BECOMING AN ELIGIBLE EMPLOYEE"; and strike beginning with "THE" in line 25 down through "EMPLOYMENT" in line 26 and substitute "FIRST BECOMING AN ELIGIBLE EMPLOYEE".

AMENDMENT NO. 3

On page 19, after line 26, insert:

"SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

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Article – State Personnel and Pensions

<u>23–204.</u>

- (a) (1) This subsection applies to an individual who on June 30, 2004, receives an annual salary and who is:
 - (i) an elected or appointed official;
 - (ii) an employee of the Governor's office;
 - (iii) an employee of the Senate or House of Delegates;
- (iv) a member of the Prince George's County Board of License Commissioners; or
- (v) an employee of Dorchester County who is not a member of the county's general pension and retirement program.
- (2) <u>Membership in the Employees' Pension System is optional for an individual under paragraph (1) of this subsection while the individual remains employed in the position the individual held on June 30, 2004.</u>
- (3) (I) IN LIEU OF MEMBERSHIP IN ANY OTHER RETIREMENT OR PENSION SYSTEM OPERATED UNDER THE LAWS OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE, AN INDIVIDUAL UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION MAY ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM WITHIN 1 YEAR OF EMPLOYMENT OR JULY 1, 2008, WHICHEVER IS LATER.

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- (II) AN INDIVIDUAL UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION WHO ELECTS TO JOIN THE EMPLOYEES' PENSIONS SYSTEM UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, MAY TRANSFER FROM A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM TO THE EMPLOYEES' PENSION SYSTEM IN ACCORDANCE WITH TITLE 37 OF THIS ARTICLE, ANY SERVICE CREDIT EARNED WHILE SERVING IN THAT POSITION.
- (b) (1) (i) Except as provided in paragraph (2) of this subsection, this subsection applies only to the employees of a participating governmental unit who:
- are employed by the participating governmental unit on June 30, 2004; and
- <u>2.</u> <u>were employed by the participating governmental</u> <u>unit on the effective date of participation in the State systems.</u>
- (ii) Except as provided in paragraph (2) of this subsection, membership in the Employees' Pension System is optional for an individual under subparagraph (i) of this paragraph until the individual ceases employment with the participating governmental unit that was employing the individual on June 30, 2004.
- (2) <u>Membership in the Employees' Pension System is not optional for individuals who are:</u>
- (i) supportive service employees of the Board of Education of Kent County;
 - (ii) employees of the Town of Oakland; or
 - (iii) employees of the City of Frostburg.

- (c) (1) Subject to paragraph (2) of this subsection, membership in the Employees' Pension System is optional for an individual described in § 23–201(a)(2)(iv) of this subtitle who is elected or appointed as the Baltimore City Sheriff.
- (2) An individual who is elected or appointed as the Baltimore City Sheriff and who does not elect to join the Employees' Pension System is a member of the Law Enforcement Officers' Pension System under Title 26 of this article as a condition of employment.
- (3) To elect to be a member of the Employees' Pension System under this subsection, an individual shall file a written application with the State Retirement Agency.
- (4) An individual who does not elect membership within 6 months of the date the individual begins serving as the Baltimore City Sheriff shall become a member of the Law Enforcement Officers' Pension System.
- (D) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL DESCRIBED IN § 23-201(A)(2)(IV) OF THIS SUBTITLE WHO ELECTS MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM UNDER THIS SECTION.
- (2) AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION MAY ELECT MEMBERSHIP IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM IF THE COUNTY EMPLOYING THE INDIVIDUAL ELECTS TO BECOME AN ELIGIBLE GOVERNMENTAL UNIT IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM IN ACCORDANCE WITH § 31-2A-02 THROUGH § 31-2A-05 OF THIS ARTICLE.
- (3) If an individual transfers to the Law Enforcement Officers' Pension System under this subsection, the eligible

GOVERNMENTAL UNIT IS RESPONSIBLE FOR ALL EMPLOYER CONTRIBUTIONS REQUIRED FOR THE INDIVIDUAL UNDER § 21-306.1 OF THIS ARTICLE.

SECTION 4. AND BE IT FURTHER ENACTED, That:

- (a) (1) A member of the Employees' Retirement System who, on or before March 1, 1975, has been employed by the General Assembly as a desk officer on a full-time or part-time basis may receive up to 5 years of service credit for which the member is not otherwise entitled.
- (2) Any service credit that a member of the Employees' Retirement System receives under paragraph (1) of this subsection shall be for the period of time that the member:
- (i) was employed as a desk officer or in any other position as a full-time or part-time permanent, temporary, or contractual State employee; and
 - (ii) was not a member of the Employees' Retirement System.
- (3) Except as provided in subsection (b) of this section, for service credit granted under this Act, a year or part of a year of employment equals 1 year of service credit.
- (b) A member may receive service credit under subsection (a) of this section only for the period of time the member was employed, if the member receives service credit from the Employees' Retirement System for any employment during the same year as the service credit under subsection (a) of this section is accrued.";

in line 27, strike "3." and substitute "5."; and after line 28, insert:

"SECTION 6. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall be construed to apply retroactively and shall be applied to and interpreted to

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affect any individual who on or after July 1, 2006, was serving as an elected or appointed official and was eligible for optional membership in the Employees' Pension System under § 23-204 of the State Personnel and Pensions Article.".

On page 20, in line 1, strike "4." and substitute "7."; in line 2, strike "3" and substitute "5"; in the same line, after "Act" insert "and subject to Section 6 of this Act"; and in the same line, after "2007." insert "Section 4 of this Act shall remain effective for a period of 6 months and, at the end of December 31, 2007, with no further action required by the General Assembly, Section 4 of this Act shall be abrogated and of no further force and effect.".