

# HOUSE BILL 586

P4

71r2358

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By: **Delegates Stukes, Ali, Anderson, Burns, Carter, Conaway, Glenn, Harrison, Haynes, Howard, Kirk, and Robinson**

Introduced and read first time: February 8, 2007

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Personnel – Health and Welfare Benefits Program – Contractual**  
3 **Employees**

4 FOR the purpose of requiring the Secretary of Budget and Management to include  
5 certain State contractual employees in the types or categories of State  
6 employees who are eligible to participate in the State Employee and Retiree  
7 Health and Welfare Benefits Program with State subsidies; and generally  
8 relating to benefits for State contractual employees.

9 BY repealing and reenacting, with amendments,  
10 Article – State Personnel and Pensions  
11 Section 2–503  
12 Annotated Code of Maryland  
13 (2004 Replacement Volume and 2006 Supplement)

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

16 **Article – State Personnel and Pensions**

17 2–503.

18 (a) The Secretary shall:

19 (1) adopt regulations for the administration of the Program;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           (2) ensure that the Program complies with all federal and State laws  
2 governing employee benefit plans; and

3           (3) each year, recommend to the Governor the State share of the costs  
4 of the Program.

5           (b) Except as otherwise provided by law, the Secretary may arrange as the  
6 Secretary considers appropriate any benefit option for inclusion in the Program.

7           (c) **(1)** The Secretary shall specify by regulation the types or categories of  
8 State employees who:

9                   [(1)] **(I)** are eligible to enroll and participate in the Program with  
10 State subsidies;

11                   [(2)] **(II)** are eligible to enroll and participate in the Program without  
12 State subsidies; and

13                   [(3)] **(III)** are not eligible to enroll or participate in the Program.

14           **(2) THE SECRETARY SHALL INCLUDE IN THE TYPES OR**  
15 **CATEGORIES OF STATE EMPLOYEES SPECIFIED UNDER PARAGRAPH (1)(I) OF**  
16 **THIS SUBSECTION CONTRACTUAL EMPLOYEES AND STATE EMPLOYEES IN A**  
17 **COMPARABLE POSITION IN AN INDEPENDENT PERSONNEL SYSTEM.**

18           (d) (1) The regulations adopted by the Secretary shall include provisions  
19 for the enrollment and participation of employees of all:

20                   (i) organizations and entities that were participating in the  
21 Program as satellite organizations on January 1, 1993; and

22                   (ii) employee organizations that qualify for payroll deductions  
23 under the provisions of § 2-403 of this title.

24           (2) Employees of organizations and entities covered by this section  
25 may participate:

26                   (i) without State subsidies; and

27                   (ii) with payment by the organization or entity of administrative  
28 costs resulting from the participation of its employees in the Program.

1                   (3) The regulations adopted by the Secretary under this subsection  
2 shall provide that an employee organization specified in paragraph (1)(ii) of this  
3 subsection:

4                   (i) may not enroll or participate in the Program unless the  
5 organization has notified the Secretary, in writing, on or before July 1, 1994 of the  
6 organization's intent to enroll and participate in the Program during calendar year  
7 1994; and

8                   (ii) may not enroll or participate in the Program on or after  
9 January 1, 1995 unless the organization has participated in the Program during  
10 calendar year 1994.

11                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 July 1, 2007.