

SB0001/403024/1

BY: Senator Pipkin

AMENDMENTS TO SENATE BILL 1
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 6, after “grants;” insert “requiring counties to pay a certain employer contribution for certain members of the Teachers’ Retirement System, the Teachers’ Pension System, and the Optional Retirement Program; altering the amount of employer contributions the State is required to pay for certain members of the Teachers’ Retirement System, the Teachers’ Pension System, and the Optional Retirement Program;”.

On page 2, in line 12, after “5-202(e)” insert “,5-204, and 16-306.1”; and after line 14, insert:

“BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 21-304(b) and 30-205
Annotated Code of Maryland
(2004 Replacement Volume and 2007 Supplement)”.

AMENDMENT NO. 2

On page 3, after line 32, insert:

“Article – Education

5-204.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(Over)

(2) “LOCAL EMPLOYEES” MEANS THOSE MEMBERS OF THE TEACHERS’ RETIREMENT SYSTEM UNDER TITLE 22 OF THE STATE PERSONNEL AND PENSIONS ARTICLE OR THE TEACHERS’ PENSION SYSTEM UNDER TITLE 23 OF THE STATE PERSONNEL AND PENSIONS ARTICLE WHO ARE:

(I) EMPLOYEES OF A DAY SCHOOL IN THE STATE UNDER THE AUTHORITY AND SUPERVISION OF A COUNTY BOARD OF EDUCATION OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, EMPLOYED AS:

- 1. CLERKS;**
- 2. HELPING TEACHERS;**
- 3. PRINCIPALS;**
- 4. SUPERINTENDENTS;**
- 5. SUPERVISORS; OR**
- 6. TEACHERS; OR**

(II) LIBRARIANS OR CLERICAL EMPLOYEES OF A LIBRARY THAT IS ESTABLISHED OR OPERATES UNDER THIS ARTICLE.

(3) “TOTAL EMPLOYER CONTRIBUTION” MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER § 21-304 OF THE STATE PERSONNEL AND PENSIONS ARTICLE THAT IS ATTRIBUTABLE TO THE LOCAL EMPLOYEES OF EACH COUNTY.

(B) THE TOTAL EMPLOYER CONTRIBUTION FOR EACH COUNTY SHALL BE THE OBLIGATION OF THE COUNTY.

16-306.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "LOCAL EMPLOYEES" MEANS THOSE MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM UNDER TITLE 22 OF THE STATE PERSONNEL AND PENSIONS ARTICLE OR THE TEACHERS' PENSION SYSTEM UNDER TITLE 23 OF THE STATE PERSONNEL AND PENSIONS ARTICLE WHO ARE FACULTY, PROFESSIONAL, OR CLERICAL EMPLOYEES OF A COMMUNITY COLLEGE THAT IS ESTABLISHED OR OPERATES UNDER THIS ARTICLE.

(3) "TOTAL EMPLOYER CONTRIBUTION" MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER § 21-304 OF THE STATE PERSONNEL AND PENSIONS ARTICLE THAT IS ATTRIBUTABLE TO THE LOCAL EMPLOYEES FOR EACH COMMUNITY COLLEGE.

(B) THIS SECTION DOES NOT APPLY TO BALTIMORE CITY COMMUNITY COLLEGE.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE TOTAL EMPLOYER CONTRIBUTION FOR EACH COMMUNITY COLLEGE SHALL BE THE OBLIGATION OF THE COUNTY WHERE EACH COMMUNITY COLLEGE IS LOCATED.

(2) (I) FOR A REGIONAL COMMUNITY COLLEGE, AS DEFINED UNDER § 16-202 OF THIS TITLE, THE OBLIGATION OF THE TOTAL EMPLOYER

(Over)

CONTRIBUTION SHALL BE SHARED BY EACH COUNTY SUPPORTING THE REGIONAL COLLEGE.

(II) EACH COUNTY'S SHARE SHALL BE PRORATED BY DIVIDING THE NUMBER OF FULL-TIME EQUIVALENT STUDENTS AS CALCULATED UNDER § 16-302(B)(7) OF THIS SUBTITLE FOR THE SECOND PRIOR FISCAL YEAR, WHO ARE ENROLLED AT THE REGIONAL COMMUNITY COLLEGE AND ARE RESIDENTS OF THE COUNTY, BY THE TOTAL NUMBER OF FULL-TIME EQUIVALENT STUDENTS AS CALCULATED UNDER § 16-305(B)(7) OF THIS SUBTITLE FOR THE SECOND PRIOR FISCAL YEAR, WHO ARE ENROLLED AT THE REGIONAL COMMUNITY COLLEGE AND ARE RESIDENTS OF THE REGION.

Article – State Personnel and Pensions

21-304.

(b) (1) [Each] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, EACH fiscal year, on behalf of the State members of each State system, the State shall pay to the appropriate accumulation fund an amount equal to or greater than the sum of the amount, if any, required to be included in the budget bill under § 3-501(c)(2)(ii) of this article and the product of multiplying:

(i) the aggregate annual earnable compensation of the State members of that State system; and

(ii) 1. for State members of the Law Enforcement Officers' Retirement System, State Police Retirement System, and the Judges' Retirement System, the sum of the normal contribution rate and the accrued liability contribution rate, as determined under this section;

2. for State members of the Employees' Pension System, Employees' Retirement System, Correctional Officers' Retirement System, and Legislative Pension Plan, the employees' systems contribution rate determined under subsection (e) of this section; or

3. for State members of the Teachers' Pension System and Teachers' Retirement System, the teachers' systems contribution rate determined under subsection (f) of this section.

(2) The amount determined under paragraph (1) of this subsection for each State system shall be based on an actuarial determination of the amounts that are required to preserve the integrity of the funds of the several systems using:

(i) the entry-age actuarial cost method; and

(ii) actuarial assumptions adopted by the Board of Trustees.

(3) For the purpose of making the determinations required under this section:

(i) the Employees' Retirement System, the Employees' Pension System, the Correctional Officers' Retirement System, and the Legislative Pension Plan shall be considered together as one State system; and

(ii) the Teachers' Retirement System and the Teachers' Pension System shall be considered together as one State system.

(4) (1) THE STATE SHALL PAY 100% OF THE AMOUNT DETERMINED UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR THOSE MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM OR TEACHERS' PENSION SYSTEM WHO ARE:

1. FACULTY, PROFESSIONAL, OR CLERICAL EMPLOYEES OF BALTIMORE CITY COMMUNITY COLLEGE;

2. FACULTY EMPLOYEES OF AN EDUCATIONAL INSTITUTION, OTHER THAN A COMMUNITY COLLEGE, SUPPORTED BY AND UNDER THE CONTROL OF THE STATE; OR

3. STAFF EMPLOYEES OF THE UNIVERSITY SYSTEM OF MARYLAND, MORGAN STATE UNIVERSITY, OR ST. MARY'S COLLEGE OF MARYLAND WHO ARE MEMBERS OF THE TEACHERS' PENSION SYSTEM AS OF JANUARY 1, 1998, OR WHO TRANSFER FROM THE TEACHERS' RETIREMENT SYSTEM ON OR AFTER JANUARY 1, 1998.

(II) THE STATE IS NOT OBLIGATED TO PAY ANY PORTION OF THE AMOUNTS CALCULATED IN §§ 5-204(B) AND 16-306.1(C) OF THE EDUCATION ARTICLE FOR THOSE MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM OR TEACHERS' PENSION SYSTEM WHO ARE:

1. EMPLOYEES OF A DAY SCHOOL IN THE STATE UNDER THE AUTHORITY AND SUPERVISION OF A COUNTY BOARD OF EDUCATION OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS, EMPLOYED AS:

A. CLERKS;

B. HELPING TEACHERS;

C. PRINCIPALS;

D. SUPERINTENDENTS;

E. SUPERVISORS; OR

F. TEACHERS;

2. LIBRARIANS OR CLERICAL EMPLOYEES OF A LIBRARY THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE; OR

3. FACULTY, PROFESSIONAL, OR CLERICAL EMPLOYEES OF A COMMUNITY COLLEGE THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE AND IS NOT LOCATED IN BALTIMORE CITY.

30-205.

(a) Under the program, the State and the participating employees shall contribute, to the extent required, toward the purchase of annuity contracts.

(b) A participating employee may elect to make contributions to no more than two designated companies under the program for the same payroll period, if the Board of Trustees determines that the election of more than one designated company is administratively feasible.

(c) (1) (I) On behalf of each participating employee WHO IS NOT EMPLOYED BY A COMMUNITY COLLEGE, OTHER THAN BALTIMORE CITY COMMUNITY COLLEGE, THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE, the State shall contribute 7.25% of the participating employee's annual earnable compensation.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, ON BEHALF OF EACH PARTICIPATING EMPLOYEE WHO IS EMPLOYED BY A COMMUNITY COLLEGE, OTHER THAN BALTIMORE CITY

(Over)

COMMUNITY COLLEGE, THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE THE COUNTY WHERE THE COMMUNITY COLLEGE IS LOCATED SHALL CONTRIBUTE 7.25% OF THE PARTICIPATING EMPLOYEE'S ANNUAL EARNABLE COMPENSATION.

(III) 1. ON BEHALF OF EACH PARTICIPATING EMPLOYEE WHO IS EMPLOYED BY A REGIONAL COMMUNITY COLLEGE, AS DEFINED IN § 16-202 OF THE EDUCATION ARTICLE, THE COUNTIES SUPPORTING THE REGIONAL COMMUNITY COLLEGE SHALL CONTRIBUTE 7.25% OF THE PARTICIPATING EMPLOYEE'S ANNUAL EARNABLE COMPENSATION.

2. EACH COUNTY'S SHARE UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH SHALL BE PRORATED BY DIVIDING THE NUMBER OF FULL-TIME EQUIVALENT STUDENTS AS CALCULATED UNDER § 16-305(B)(7) OF THE EDUCATION ARTICLE FOR THE SECOND PRIOR FISCAL YEAR, WHO ARE ENROLLED AT THE REGIONAL COMMUNITY COLLEGE AND ARE RESIDENTS OF THE COUNTY, BY THE TOTAL NUMBER OF FULL-TIME EQUIVALENT STUDENTS AS CALCULATED UNDER § 16-305(B)(7) OF THE EDUCATION ARTICLE FOR THE SECOND PRIOR FISCAL YEAR, WHO ARE ENROLLED AT THE REGIONAL COMMUNITY COLLEGE AND ARE RESIDENTS OF THE REGION.

(IV) ON BEHALF OF EACH PARTICIPATING EMPLOYEE WHO IS EMPLOYED BY BALTIMORE CITY COMMUNITY COLLEGE, THE STATE SHALL CONTRIBUTE 7.25% OF THE PARTICIPATING EMPLOYEE'S ANNUAL EARNABLE COMPENSATION.

(2) If a participating employee's compensation is paid from special or federal funds or both, the State's contribution to the program shall be paid from those funds.

(d) The Central Payroll Bureau shall pay contributions to the appropriate designated company for the benefit of each participating employee.”