

SENATE BILL 487

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CF HB 641

By: **Senator McFadden (Chair, Joint Committee on Pensions) and Senators Currie, Kasemeyer, Kramer, Munson, and Robey**
Introduced and read first time: February 1, 2008
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Teachers' Pension System - Ineligible Positions - Transferring Membership**

3 FOR the purpose of requiring certain members of the Teachers' Pension System to
4 transfer to the Employees' Pension System under certain circumstances;
5 allowing certain members of the Teachers' Pension System the choice of
6 whether to transfer to the Employees' Pension System or a local pension system;
7 requiring certain members of the Teachers' Pension System to make certain
8 choices at a certain time; requiring certain employers of certain members of the
9 Teachers' Pension System to make certain contributions to the Board of
10 Trustees of the State Retirement and Pension System on behalf of the members;
11 clarifying that certain provisions of law apply to certain transfers of certain
12 members of the Teachers' Pension System to a local pension system; providing
13 for the application of this Act; and generally relating to members of the
14 Teachers' Pension System who are promoted or transferred to positions that are
15 not eligible for participation in the Teachers' Pension System.

16 BY repealing and reenacting, with amendments,
17 Article - State Personnel and Pensions
18 Section 23-202.1
19 Annotated Code of Maryland
20 (2004 Replacement Volume and 2007 Supplement)

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

23 **Article - State Personnel and Pensions**

24 23-202.1.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (A) A nonfaculty employee of the Baltimore City Community College who is a
2 member of the Teachers' Pension System on October 1, 2002 may transfer membership
3 to the Employees' Pension System on or before December 31, 2002.

4 (B) (1) **THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO:**

5 (I) **IS A MEMBER OF THE TEACHERS' PENSION SYSTEM;**
6 **AND**

7 (II) **IS PROMOTED OR TRANSFERRED TO A POSITION THAT IS**
8 **NOT ELIGIBLE FOR PARTICIPATION IN THE TEACHERS' PENSION SYSTEM BUT IS**
9 **ELIGIBLE FOR PARTICIPATION IN THE EMPLOYEES' PENSION SYSTEM.**

10 (2) **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**
11 **SUBSECTION, AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS**
12 **SUBSECTION SHALL TRANSFER MEMBERSHIP TO THE EMPLOYEES' PENSION**
13 **SYSTEM AT THE TIME THE INDIVIDUAL IS PROMOTED OR TRANSFERRED.**

14 (3) (I) 1. **AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF**
15 **THIS SUBSECTION WHO IS EMPLOYED BY A PARTICIPATING EMPLOYER THAT**
16 **HAS ESTABLISHED A LOCAL PENSION SYSTEM FOR WHICH THE INDIVIDUAL**
17 **EMPLOYED IN THE NEW POSITION WOULD QUALIFY SHALL CHOOSE WHETHER**
18 **TO TRANSFER MEMBERSHIP TO THE EMPLOYEES' PENSION SYSTEM OR THE**
19 **LOCAL PENSION SYSTEM.**

20 2. **AN INDIVIDUAL SHALL CHOOSE WHETHER TO**
21 **TRANSFER MEMBERSHIP TO THE EMPLOYEES' PENSION SYSTEM OR THE LOCAL**
22 **PENSION SYSTEM AT THE TIME THE MEMBER IS PROMOTED OR TRANSFERRED.**

23 (II) **IF AN INDIVIDUAL CHOOSES TO TRANSFER**
24 **MEMBERSHIP TO THE EMPLOYEES' PENSION SYSTEM, EACH YEAR THE**
25 **INDIVIDUAL'S EMPLOYER SHALL PAY TO THE BOARD OF TRUSTEES ON BEHALF**
26 **OF THE INDIVIDUAL AN AMOUNT EQUAL TO THE EMPLOYER CONTRIBUTION**
27 **RATE IN EFFECT FOR STATE EMPLOYEES PARTICIPATING IN THE EMPLOYEES'**
28 **PENSION SYSTEM.**

29 (III) **IF AN INDIVIDUAL CHOOSES TO TRANSFER**
30 **MEMBERSHIP TO THE INDIVIDUAL'S LOCAL PENSION SYSTEM, TITLE 37 OF THIS**
31 **ARTICLE SHALL APPLY.**

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
33 construed to apply only prospectively and many not be applied or interpreted to have
34 any effect on or application to any individual who on or before June 30, 2008, is a
35 member of the Teachers' Pension System and employed in a position not eligible for
36 participation in the Teachers' Pension System.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2008.