

HOUSE BILL 446

K4

9lr1200
CF SB 593

By: **Delegate Griffith (Chair, Joint Committee on Pensions) and Delegates Aumann, Bates, Branch, Conway, Haynes, Heller, James, Levi, and Levy**

Introduced and read first time: February 4, 2009

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 24, 2009

CHAPTER _____

1 AN ACT concerning

2 **State Retirement and Pension System – Board of Trustees – Attendance and**
3 **Educational Training**

4 FOR the purpose of providing additional exceptions for excused absences from certain
5 meetings for members of the Board of Trustees of the State Retirement and
6 Pension System; ~~altering the limitation on the location where the Board of~~
7 ~~Trustees may meet for certain training; removing certain limitations regarding~~
8 ~~certain entities who may conduct certain training for the Board of Trustees~~
9 requiring certain trustees on the Board of Trustees of the State Retirement and
10 Pension System to use certain leave when attending certain meetings of the
11 Board of Trustees; requiring the Chairman of the Board of Trustees to approve
12 certain training to satisfy a certain requirement; requiring the State Retirement
13 Agency to submit certain reports on or before a certain date to the Joint
14 Committee on Pensions; and generally relating to trustee attendance and
15 educational training for members of the Board of Trustees.

16 BY repealing and reenacting, with amendments,
17 Article – State Personnel and Pensions
18 Section 21–104(e) and 21–108(a)
19 Annotated Code of Maryland
20 (2004 Replacement Volume and 2008 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – State Personnel and Pensions

21–104.

(e) (1) Except as provided in paragraph (2) of this subsection, each trustee shall attend at least 80% of the monthly Board of Trustees meetings held during a 1–year period beginning January 1.

(2) (i) A trustee may be granted an excused absence by the chairman of the Board or another officer of the Board due [to illness or family emergencies] **TO:**

1. ILLNESS;

2. FAMILY EMERGENCIES;

3. JURY DUTY; OR

4. ATTENDANCE AT INVESTMENT OR FIDUCIARY TRAINING.

(ii) An excused absence under this paragraph may not be considered an absence for the purposes of paragraph (1) of this subsection.

(3) (i) Any elected or Governor–appointed trustee that fails to attend at least 80% of the meetings, not including excused absences under paragraph (2) of this subsection, shall be removed from the Board of Trustees by the Governor.

(ii) The Governor shall fill the vacancy for the office of the trustee for the unexpired term in the same manner as the office was previously filled.

(iii) The State Retirement Agency shall submit a trustee attendance report to the Department of Legislative Services by June 30 and December 31 of each year.

(4) AN ELECTED TRUSTEE REPRESENTING EMPLOYEES OF ANY OF THE SEVERAL SYSTEMS SHALL BE ON ADMINISTRATIVE LEAVE WHEN THE ELECTED TRUSTEE ATTENDS A MONTHLY MEETING OF THE BOARD OF TRUSTEES OR A COMMITTEE MEETING OF THE BOARD OF TRUSTEES.

21–108.

(a) (1) The responsibility for the management, general administration, and proper operation of the several systems is vested in the Board of Trustees.

(2) The Board of Trustees is not responsible for:

(i) reviewing the benefit structures for any of the several systems, except for the purpose of making technical corrections; or

(ii) considering benefit enhancements for any of the several systems.

(3) (i) Each trustee on the Board of Trustees is required to complete at least 8 hours of investment and fiduciary training, including training on fiduciary conduct and board governance, during a 1-year period beginning January 1.

(ii) The training shall be ~~conducted at a facility located in the State by an entity not affiliated with any of the external investment managers for the several systems]~~ **WITHIN THE CONTINENTAL UNITED STATES APPROVED BY THE CHAIRMAN OF THE BOARD OF TRUSTEES TO SATISFY THE 8-HOUR REQUIREMENT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

~~(iii)~~ **(4) (I)** On or before June 30 and December 31 of each year, the State Retirement Agency shall submit a report to the Department of Legislative Services that provides a summary of the training required by ~~this paragraph~~ **PARAGRAPH (3) OF THIS SUBSECTION** that was completed by each trustee during that 6-month period.

(II) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE BOARD OF TRUSTEES SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE TO THE JOINT COMMITTEE ON PENSIONS THAT PROVIDES:

1. A TOTAL OF ALL TRAVEL EXPENSES FOR THE FISCAL YEAR ENDING IMMEDIATELY PRIOR TO SEPTEMBER 1 FOR:

A. MEMBERS OF THE BOARD OF TRUSTEES; AND

B. STAFF OF THE STATE RETIREMENT AGENCY;

2. THE DESTINATION, DURATION, AND JUSTIFICATION FOR THE TRAVEL;

3. FOR MEMBERS OF THE BOARD OF TRUSTEES, A STATEMENT WHETHER THE TRAVEL WAS MADE FOR PURPOSES OF FIDUCIARY EDUCATIONAL TRAINING; AND

4. FOR STAFF OF THE INVESTMENT DIVISION, A STATEMENT WHETHER THE TRAVEL WAS MADE FOR PURPOSES OF MEETING WITH EXISTING OR PROSPECTIVE INVESTMENT MANAGERS.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2009.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.