

SENATE BILL 593

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CF HB 446

By: **Senator McFadden (Chair, Joint Committee on Pensions)**

Introduced and read first time: February 6, 2009

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 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; and generally relating to
13 trustee attendance and educational training for members of the Board of
14 Trustees.

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

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

22 **Article – State Personnel and Pensions**

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.



1 21-104.

2 (e) (1) Except as provided in paragraph (2) of this subsection, each trustee
3 shall attend at least 80% of the monthly Board of Trustees meetings held during a
4 1-year period beginning January 1.

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

8 **1. ILLNESS;**

9 **2. FAMILY EMERGENCIES;**

10 **3. JURY DUTY; OR**

11 **4. ATTENDANCE AT INVESTMENT OR FIDUCIARY**
12 **TRAINING.**

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

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

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

20 (iii) The State Retirement Agency shall submit a trustee
21 attendance report to the Department of Legislative Services by June 30 and December
22 31 of each year.

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

27 21-108.

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

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

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

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

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

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

11 (iii) On or before June 30 and December 31 of each year, the
12 State Retirement Agency shall submit a report to the Department of Legislative
13 Services that provides a summary of the training required by this paragraph that was
14 completed by each trustee during that 6-month period.

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.