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# By: **Delegate Frank** Introduced and read first time: February 18, 2010

Assigned to: Appropriations

## HOUSE JOINT RESOLUTION

1 A House Joint Resolution concerning

# 2 General Assembly Compensation Commission – Recommendations – Optional 3 Retirement Program

FOR the purpose of providing that in accordance with the provisions of Article III, 4  $\mathbf{5}$ Section 15 of the Maryland Constitution, rejecting certain items included in the 6 Resolution of the General Assembly Compensation Commission dated January 75, 2010, and transmitted to the General Assembly on January 12, 2010, that 8 address certain proposed changes to salaries, in-district travel, out-of-state 9 travel, and the Legislative Pension Plan for members of the General Assembly; 10 providing that the salaries for the President of the Senate, the Speaker of the House of Delegates, and members of the General Assembly and provisions 11 12addressing out-of-state travel remain at the levels set by the Resolution dated 13January 6, 2006, and transmitted to the General Assembly on January 11, 142006; providing that the allowance for in-district travel remain at the levels set 15by the Resolution of the General Assembly Compensation Commission dated 16January 11, 2002, and transmitted to the General Assembly on January 11, 172002; providing that provisions of the Legislative Pension Plan addressing military service credit as provided by the Resolution of the General Assembly 18Compensation Commission dated January 5, 2010, and transmitted to the 1920General Assembly on January 12, 2010, shall be void; providing that the 21Resolution of the General Assembly Compensation Commission dated January 225, 2010, and transmitted to the General Assembly on January 12, 2010, be 23amended to require that certain members of the Legislative Pension Plan join 24the Optional Retirement Program of the State Retirement and Pension System 25subject to certain conditions; providing that the Resolution of the General 26Assembly Compensation Commission dated January 5, 2010, and transmitted to 27the General Assembly on January 12, 2010, be amended to provide that certain 28members of the Legislative Pension Plan be required to participate in the 29Optional Retirement Program of the State Retirement and Pension System; and 30 generally relating to the Resolution of the General Assembly Compensation 31 Commission dated January 5, 2010, and transmitted to the General Assembly 32on January 12, 2010.





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#### **HOUSE JOINT RESOLUTION 11**

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## RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

 $\mathbf{2}$ (a) In accordance with the authority granted under Article III, Section 15 of 3 the Maryland Constitution, the General Assembly rejects the recommendations for 4 changes in the salaries for the President of the Senate, the Speaker of the House of  $\mathbf{5}$ Delegates, and the members of the General Assembly, the allowance for in-district 6 travel, changes to the provisions addressing out-of-state travel, and for changes in the 7retirement benefits available to legislators in the Legislative Pension Plan submitted 8 in the Resolution of the General Assembly Compensation Commission dated January 9 5, 2010, and transmitted to the General Assembly on January 12, 2010; and

10 (b) Items 1A, 1B, and 2D of the Resolution of the General Assembly 11 Compensation Commission dated January 5, 2010, and transmitted to the General 12 Assembly on January 12, 2010, shall be void and provisions related to the allowance 13 for salaries for the President of the Senate, the Speaker of the House of Delegates, and 14 the members of the General Assembly, and out-of-state travel shall be as provided in 15 the Resolution of the General Assembly Compensation Commission dated January 6, 16 2006, and transmitted to the General Assembly on January 11, 2006; and

17 (c) Item 2C and Section 12 of Item 3A of the Resolution of the General 18 Assembly Compensation Commission dated January 5, 2010, and transmitted to the 19 General Assembly on January 12, 2010, shall be void and provisions related to the 20 allowance for in-district travel shall be as provided in the Resolution of the General 21 Assembly Compensation Commission dated January 11, 2002, and transmitted to the 22 General Assembly on January 11, 2002; and

(d) Section 21 of Item 3A of the Resolution of the General Assembly
Compensation Commission dated January 5, 2010, and transmitted to the General
Assembly on January 12, 2010, shall be void; and

(e) In accordance with the authority granted under Article III, Section 15 of
the Maryland Constitution, the General Assembly recommends amending Sections 1(j)
and (p), and 7 of Item 3A of the Resolution of the General Assembly Compensation
Commission dated January 5, 2010, and transmitted to the General Assembly on
January 12, 2010, to read as follows:

"<u>Item 3A.</u>
1. Definitions.

(j) Member.
(1) "Member" means:
(i) A legislator who elects to join the Legislative Pension Plan during the legislator's term of office; and
(ii) A former legislator who:

$rac{1}{2}$	1. Elected to join the Legislative Pension Plan during the legislator's term of office before January 1, 2011;	
$\frac{3}{4}$	contributions; and	2. Has not withdrawn the member's accumulated
<b>5</b>		3. Is not currently receiving a retirement allowance.
6	(2)	"Member" does not include a legislator who:
7		(i) Has no creditable service before January 1, 2011; or
$\frac{8}{9}$	of the State Perso	(ii) Has joined the Optional Retirement Program under Title 30 onnel and Pensions Article.
10	(p) Reti	ree. "Retiree" means an individual who:
11	(1)	Is eligible for retirement;
12	(2)	Has applied to receive a retirement allowance; and
$\frac{13}{14}$	(3) 2011.	Prior to retirement has earned creditable service before January 1,
15	7. Service retirement allowance – No service prior to January 1, 1971.	
16	(a) Appl	lication of section.
17 18	(1) service before Jar	This section applies only to a member who has no creditable nuary 1, 1971.
19 20	(2) service before Jar	This section does not apply to a legislator who has no creditable nuary 1, 2011.
$\begin{array}{c} 21 \\ 22 \end{array}$	(b) Eligibility for retirement. Except as provided in subsection (c) of this section, a member may retire if on or before the date of retirement, the member:	
23	(1)	Is not currently serving in the General Assembly;
24	(2)	Has at least 8 years of creditable service;
25	(3)	Has attained age 60; and
$26 \\ 27$	(4) of Trustees statin	Completes and submits an application for retirement to the Board ag the date on which the member desires to retire.

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1 (c) Exception for member who joins the Judges' Retirement System. A 2 member who resigns from the General Assembly prior to the expiration of the 3 member's term of office to accept a position requiring membership in the Judges' 4 Retirement System is entitled to a retirement allowance under this Item 3A regardless 5 of years of service.

6 (d) Service retirement allowance. In general. Except as provided in 7 subsection (e) of this section, on retirement, a member shall receive a service 8 retirement allowance equal to 3% of the salary payable to a current legislator in the 9 General Assembly multiplied by the number of years of creditable service of the 10 member, but in no event shall the retirement allowance exceed two-thirds of the 11 salary payable to a current legislator in the General Assembly.

12 (e) Same – Eligible presiding officer. If the member served as an eligible 13 presiding officer, the Board of Trustees shall use the salary payable to the current 14 presiding officer to calculate the member's retirement allowance, but in no event shall 15 the retirement allowance exceed two-thirds of the salary payable to a current 16 presiding officer in the General Assembly.

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(f)

Optional Retirement Program.

(1) On January 1, 2011, a member shall join the Optional Retirement
 Program as provided under Title 30 of the State Personnel and Pensions Article.

20 (2) A member's membership in the Legislative Pension Plan shall 21 cease when the member joins the Optional Retirement Program.

(3) A member who has earned 8 or more years of creditable service at the time the member joins the Optional Retirement Program shall receive a retirement allowance in accordance with the provisions of the Legislative Pension Plan based on the creditable service the member accrued in the Legislative Pension Plan before electing to participate in the Optional Retirement Program.

(4) A member who has earned less than 8 years of creditable service at
the time the member joins to participate in the Optional Retirement Program may:

(i) Purchase service credit in the Legislative Pension Plan as
 provided in § 6(d) of this Item 3A; or

(ii) Request a return of the member contributions plus interest
 that the member has made prior joining the Optional Retirement Program.

(5) A member who joins the Optional Retirement Program may not
 transfer any service credit earned in the Legislative Pension Plan to the Optional
 Retirement Program.

36 (6) A member who has earned 22 years and 3 months of creditable 37 service may not join the Optional Retirement Program."; and 1 (f) In accordance with the authority granted under Article III, Section 15 of 2 the Maryland Constitution, the General Assembly recommends adding Item 3C to the 3 Resolution of the General Assembly Compensation Commission dated January 5, 4 2010, and transmitted to the General Assembly on January 12, 2010, to read as 5 follows:

6 "<u>Item 3C.</u>

7 (a) This item applies to any legislator who has no creditable service in the 8 Legislative Pension Plan before January 1, 2011.

9 (b) A legislator is a member of the Optional Retirement Program under Title 10 30 of the State Personnel and Pensions Article."; and

11 (g) The other items related to compensation and allowances to members of 12 the General Assembly shall be as provided in the Resolution of the General Assembly 13 Compensation Commission dated January 5, 2010, and transmitted to the General 14 Assembly on January 12, 2010; and be it further

15 RESOLVED, That a copy of this Resolution be forwarded by the Department of 16 Legislative Services to the Honorable Martin O'Malley, Governor of Maryland; the 17 Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the 18 Honorable Michael E. Busch, Speaker of the House of Delegates.