

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 793
Appropriations

(Delegate Taylor, *et al.*)

State Retirement and Pension Boards of Trustees - Membership - Diversity

This bill requires that, to the extent practicable, the Board of Trustees of the State Retirement and Pension System (SRPS) and of the Maryland Teachers' and State Employees' Supplemental Retirement Plans (MSRP) reasonably reflect the geographic, racial, ethnic, cultural, and gender diversity of the State.

Fiscal Summary

State Effect: The bill does not materially affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: The SRPS board consists of 14 members including: five members elected by employees and retirees of the several systems; six members appointed by the Governor; and three *ex officio* members. Of the five elected members, two represent active members of the combined employees' plans and combined teachers' plans, respectively; two represent retirees of the same two sets of plans; and one represents State Police officers and retirees. Five of the appointed members represent the public and one represents local governments. The three *ex officio* members are the State Treasurer, State Comptroller, and Secretary of Budget and Management. Except for the *ex officio* members, members serve staggered four-year terms, and serve until a successor is named or elected. There are currently no vacancies on the board.

The MSRP board has nine members appointed by the Governor, including three who must be employees of designated State agencies, three who must be eligible to participate in the supplemental retirement plans, and three members of the public. Members serve staggered four-year terms and serve until a successor is appointed and qualifies. There are currently two vacancies on the board, both representing eligible participants.

Exhibit 1 provides a demographic profile of Maryland residents as of 2008 and of members of both boards.

Exhibit 1
2008 Demographics
Maryland Residents and Boards of Trustees

	<u>State Population</u>	<u>SRPS</u>	<u>MSRP Appointed</u>	<u>MSRP Authorized</u>
White	57.7%	71% (10)	71% (5)	56% (5)
African American	28.8%	29% (4)	29% (2)	22% (2)
Hispanic/Latino	6.7%	0	0	0
Asian	5.0%	0	0	0
Other	1.89%	0	0	0

Vacant – Unknown				22% (2)
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Female	51.6%	29% (4)	57% (4)	44% (4)
Male	48.4%	71% (10)	43% (3)	33% (3)

Vacant – Unknown				22% (2)

Notes: Totals may not add to 100% due to rounding. The MSRP appointed membership does not reflect the two vacant positions; the authorized membership allocates the vacant positions.

Source: U.S. Census Bureau, Maryland Department of Planning

For the SRPS board, two of the African American members are elected by members or retirees, one is appointed, and one is *ex officio*. Two of the female members are elected and two are *ex officio*.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Retirement Agency, Maryland Supplemental Retirement Plans, Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2010
ncs/rhh

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