K4 1lr1874

By: Senators Pipkin and Brinkley

Introduced and read first time: February 4, 2011

Assigned to: Budget and Taxation

## A BILL ENTITLED

1 AN ACT concerning

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## State Retirement and Pension System – Optional Retirement Program – New Employees

FOR the purpose of providing that, on or after a certain date, certain individuals are not eligible to join the Employees' Pension System, the Teachers' Pension System, the State Police Retirement System, the Correctional Officers' Retirement System, the Law Enforcement Officers' Pension System, or the Judges' Retirement System; requiring that, on or after a certain date, certain individuals are required to join the optional retirement program as a condition of employment; providing that certain supervising employers are not responsible for the payment of certain benefits payable under the optional retirement program; requiring certain supervising employers to administer certain aspects of the participation of certain employees participating in the optional retirement program; providing that certain employees are eligible to participate in the optional retirement program; requiring that certain employees who elect to participate in the optional retirement program make such an election within a certain period of time and in a certain manner; requiring certain participating governmental units that elect to participate in the State Retirement and Pension System on or after a certain date to participate in the optional retirement program; requiring certain participating governmental units that elect to participate in the optional retirement program to make such an election in a certain manner; providing for the effective date of participation for certain participating governmental units that elect to participate in the optional retirement program; prohibiting a participating governmental unit from transferring certain service credit of certain employees of the participating governmental unit to the optional retirement program; altering certain definitions; defining certain terms; and generally relating to providing certain State employees and employees of participating governmental units with a defined contribution retirement benefit.

BY repealing and reenacting, with amendments,

- 1 Article – State Personnel and Pensions 2 Section 23–203, 23–204(c) and (d), 23–208, 24–202, 24–203, 25–202, 26–202(a), 3 30-201.30-202, 30-207, 30-210, 30–301. 30-101.4 30–303, 30–305, 30–306, 30–307(e), 31–101(c) and (d), 31–102, 31–109, 5 31–2A–01(b) and (c), 31–2A–02, 31–2A–03, 31–2A–05, 6 31–2B–01(b) and (c), 31–2B–02, 31–2B–03, and 31–2B–05 7 Annotated Code of Maryland (2009 Replacement Volume and 2010 Supplement) 8 9 BY adding to Article – State Personnel and Pensions 10 11 Section 27–201.1, 31–109.2, 31–109.3, 31–111.7, 31–112.1, 31–2A–03.2, 12 31-2A-03.3, 31-2A-04.1, 31-2B-03.2, and 31-2B-04.1 Annotated Code of Maryland 13 (2009 Replacement Volume and 2010 Supplement) 14 BY repealing and reenacting, without amendments, 15 16 Article – State Personnel and Pensions 17 Section 31–101(a), 31–2A–01(a), and 31–2B–01(a) Annotated Code of Maryland 18 19 (2009 Replacement Volume and 2010 Supplement)
- 22 Article State Personnel and Pensions

MARYLAND, That the Laws of Maryland read as follows:

23 23–203.

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(A) Except as provided in § 23–204 of this subtitle, an individual described in § 23–201(a) of this subtitle who becomes an employee of a participating employer on or after January 1, 1980, AND ON OR BEFORE JUNE 30, 2011, or who transfers membership from the Employees' Retirement System ON OR BEFORE JUNE 30, 2011, is a member of the Employees' Pension System as a condition of employment.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

- (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, AN INDIVIDUAL WHO IS NOT A MEMBER OF THE EMPLOYEES' PENSION SYSTEM ON JUNE 30, 2011, IS NOT ELIGIBLE FOR MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM.
- 33 (2) AN INDIVIDUAL IS A MEMBER OF THE EMPLOYEES' PENSION
  34 SYSTEM IF THE INDIVIDUAL COMMENCES EMPLOYMENT ON OR AFTER JULY 1,
  35 2011, FOR A PARTICIPATING GOVERNMENTAL UNIT THAT ELECTED TO JOIN THE
  36 EMPLOYEES' PENSION SYSTEM ON OR BEFORE JUNE 30, 2011.

- 1 (c) (1) Subject to paragraph (2) of this subsection, membership in the 2 Employees' Pension System is optional for an individual described in § 23–201(a)(2)(iv) of this subtitle who is elected or appointed as the Baltimore City Sheriff ON OR 4 BEFORE JUNE 30, 2011.
- 5 (2) An individual who is elected or appointed as the Baltimore City 6 Sheriff **ON OR BEFORE JUNE 30, 2011,** and who does not elect to join the Employees' 7 Pension System is a member of the Law Enforcement Officers' Pension System under 8 Title 26 of this article as a condition of employment.
- 9 (3) To elect to be a member of the Employees' Pension System under 10 this subsection, an individual shall file a written application with the State 11 Retirement Agency.
- 12 (4) An individual who does not elect membership within 6 months of 13 the date the individual begins serving as the Baltimore City Sheriff shall become a 14 member of the Law Enforcement Officers' Pension System.
- 15 (d) (1) This subsection applies to an individual described in § 16 23–201(a)(2)(iv) of this subtitle who elects membership in the Employees' Pension 17 System under this section.
- 18 (2) An individual described in paragraph (1) of this subsection may 19 elect membership in the Law Enforcement Officers' Pension System if the county 20 employing the individual elects to become an eligible governmental unit in the Law 21 Enforcement Officers' Pension System ON OR BEFORE JUNE 30, 2011, AND in 22 accordance with §§ 31–2A–02 through 31–2A–05 of this article.
- 23 (3) If an individual transfers to the Law Enforcement Officers' Pension 24 System under this subsection, the eligible governmental unit is responsible for all 25 employer contributions required for the individual under § 21–306.1 of this article.
- 26 23–208.
- (A) Except as provided in § 23–209 of this subtitle, an individual described in § 23–206(a) of this subtitle who becomes employed by a participating employer on or after January 1, 1980, AND ON OR BEFORE JUNE 30, 2011, or who transfers membership from the Teachers' Retirement System ON OR BEFORE JUNE 30, 2011, is a member of the Teachers' Pension System as a condition of employment.
- 32 (B) AN INDIVIDUAL WHO IS NOT A MEMBER OF THE TEACHERS'
  33 PENSION SYSTEM ON JUNE 30, 2011, IS NOT ELIGIBLE FOR MEMBERSHIP IN
  34 THE TEACHERS' PENSION SYSTEM.

- (A) Except as provided in § 24–203 of this subtitle, an individual described in § 24–201 of this subtitle WHO BECOMES A POLICE EMPLOYEE OR A MARYLAND STATE POLICE CADET ON OR BEFORE JUNE 30, 2011, is a member of the State Police Retirement System as a condition of employment.
- 5 (B) AN INDIVIDUAL WHO IS NOT A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM ON JUNE 30, 2011, IS NOT ELIGIBLE FOR MEMBERSHIP IN THE STATE POLICE RETIREMENT SYSTEM.
- 8 24-203.
- 9 [The] ON OR BEFORE JUNE 30, 2011, THE Secretary of State Police may waive membership in the State Police Retirement System and elect to become a member of the Employees' Pension System.
- 12 25–202.
- 13 (a) (1) Except as provided in subsection (b) of this section, an individual described in § 25–201(a) of this subtitle is a member of the Correctional Officers' Retirement System as a condition of employment IF THE INDIVIDUAL BEGAN EMPLOYMENT IN A POSITION DESCRIBED IN § 25–201(A) OF THIS SUBTITLE ON OR BEFORE JUNE 30, 2011.
- 18 (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
  19 PARAGRAPH, AN INDIVIDUAL WHO IS NOT A MEMBER OF THE CORRECTIONAL
  20 OFFICERS' RETIREMENT SYSTEM ON JUNE 30, 2011, IS NOT ELIGIBLE FOR
  21 MEMBERSHIP IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.
- 22AN INDIVIDUAL IS A MEMBER OF THE CORRECTIONAL (II)23 OFFICERS' RETIREMENT System IF THE **INDIVIDUAL COMMENCES** EMPLOYMENT ON OR AFTER JULY 1, 2011, FOR A PARTICIPATING 2425 GOVERNMENTAL UNIT THAT ELECTED TO JOIN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM ON OR BEFORE JUNE 30, 2011. 26
- (b) (1) Subject to paragraph (2) of this subsection, membership in the Correctional Officers' Retirement System is optional for an individual described in § 25–201 of this subtitle who was employed by a participating governmental unit as a local detention center officer on the effective date of participation on or after July 1, 2006, for that participating governmental unit and who elects membership within 6 months of the effective date of participation.
- 33 (2) To elect to be a member of the Correctional Officers' Retirement 34 System, an individual shall file a written application with the State Retirement 35 Agency.

- 1 (3) If an individual does not elect membership during the applicable 2 period specified under paragraph (1) of this subsection, the individual may not become 3 a member of the Correctional Officers' Retirement System.
- 4 26–202.
- 5 (a) (1) Except as provided in subsection (b) of this section, an individual 6 described in § 26–201 of this subtitle is a member of the Law Enforcement Officers'
- 7 Pension System as a condition of employment IF THE INDIVIDUAL BEGAN
- 8 EMPLOYMENT IN A POSITION DESCRIBED IN § 26–201 OF THIS SUBTITLE ON OR
- 9 **BEFORE JUNE 30, 2011**.
- 10 (2) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
- 11 PARAGRAPH, AN INDIVIDUAL WHO IS NOT A MEMBER OF THE LAW
- 12 ENFORCEMENT OFFICERS' PENSION SYSTEM ON JUNE 30, 2011, IS NOT
- 13 ELIGIBLE FOR MEMBERSHIP IN THE LAW ENFORCEMENT OFFICERS' PENSION
- 14 SYSTEM.
- 15 (II) AN INDIVIDUAL IS A MEMBER OF THE LAW
- 16 ENFORCEMENT OFFICERS' PENSION SYSTEM IF THE INDIVIDUAL COMMENCES
- 17 EMPLOYMENT ON OR AFTER JULY 1, 2011, FOR A PARTICIPATING
- 18 GOVERNMENTAL UNIT THAT ELECTED TO JOIN THE LAW ENFORCEMENT
- 19 OFFICERS' PENSION SYSTEM ON OR BEFORE JUNE 30, 2011.
- 20 **27–201.1.**
- 21 AN INDIVIDUAL WHO IS NOT A MEMBER OF THE JUDGES' RETIREMENT
- 22 System on June 30, 2011, is not eligible for membership in the Judges'
- 23 RETIREMENT SYSTEM.
- 24 30–101.
- 25 (a) In this title the following words have the meanings indicated.
- 26 (b) (1) "Annuity contract" means a fixed or variable annuity contract or combination of fixed or variable annuity contracts authorized under § 401(A) OR §
- 403(a) or (b) of the Internal Revenue Code.
- 29 (2) "Annuity contract" includes a custodial account to be invested in 30 regulated investment company stock as provided in § 401(f) or § 403(b)(7) of the
- 31 Internal Revenue Code.
- 32 (c) "Designated company" means an entity that:
- 33 (1) on or before March 1, 1993, was designated by the governing board
- of an employing institution to offer annuity contracts under the program; or

ARTICLE;

1	(2) is designated by the Board of Trustees.
2 3	(d) "Eligible employee" means an individual eligible to participate in the program.
4	(e) "Employing institution" means:
5	(1) the University System of Maryland;
6	(2) Morgan State University;
7	(3) St. Mary's College;
8 9	(4) the Maryland Higher Education Commission with respect to eligible employees of the Commission; and
10 11	(5) any community college or regional community college established under Title 16 of the Education Article.
12	(f) "Participating employee" means an eligible employee who:
13 14	(1) ON OR BEFORE JUNE 30, 2011, elects to participate in the program; AND
15 16	(2) ON OR AFTER JULY 1, 2011, IS REQUIRED TO ENROLL IN THE PROGRAM AS A CONDITION OF EMPLOYMENT.
17 18	(g) "Pension system" means the Employees' Pension System or the Teachers Pension System.
19 20	(h) "Program" means the optional retirement program established under § 30-201 of this title.
21 22	(i) "Retirement system" means the Employees' Retirement System or the Teachers' Retirement System.
23	(J) "SUPERVISING EMPLOYER" MEANS:
24	(1) ANY UNIT OF STATE GOVERNMENT;
25 26	(2) A COUNTY BOARD OF EDUCATION OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS;
27	(3) A LIBRARY THAT IS ESTABLISHED UNDER THE EDUCATION

1	(4) AN EMPLOYING INSTITUTION;
2 3 4	(5) A PARTICIPATING GOVERNMENTAL UNIT THAT IS ELIGIBLE TO PARTICIPATE UNDER TITLE 31, SUBTITLE 1 OF THIS ARTICLE AND ELECTS TO JOIN THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011;
5	(6) THE OFFICE OF THE SHERIFF OF BALTIMORE CITY;
6	(7) A BOARD OF SUPERVISORS OF ELECTIONS OF A COUNTY;
7 8	(8) THE STATE RACING COMMISSION AUTHORIZED BY § 11–207 OF THE BUSINESS REGULATION ARTICLE;
9	(9) A CIRCUIT COURT FOR ANY COUNTY;
10	(10) THE MARYLAND ENVIRONMENTAL SERVICE;
11	(11) THE BALTIMORE CITY DETENTION CENTER;
12	(12) THE CLIFTON T. PERKINS HOSPITAL CENTER;
13	(13) THE FIELD ENFORCEMENT BUREAU;
14	(14) THE UNIVERSITY OF MARYLAND POLICE FORCE;
15	(15) THE MORGAN STATE UNIVERSITY POLICE FORCE;
16	(16) THE BWI AIRPORT FIRE & RESCUE DEPARTMENT;
17	(17) THE MILITARY DEPARTMENT; OR
18	(18) THE SALISBURY FIRE DEPARTMENT.
19 20	[(j)] (K) "Supplemental retirement plans" means plans established pursuant to $\S$ 30-401 of this title.
21	30–201.
22 23	(a) There is an optional retirement program [in which eligible employees may participate].

- 1 (b) Under the program, annuity contracts offered by a designated company 2 that provide retirement and death benefits may be purchased for participating 3 employees.
- 4 (c) (1) The Board of Trustees shall administer the program to the extent 5 provided in this title.
- 6 (2) The State Retirement Agency shall carry out the administrative 7 duties of the Board of Trustees.
- 8 (d) The program shall be offered by each [employing institution] 9 SUPERVISING EMPLOYER.
- 10 30-202.

- 11 (a) The Board of Trustees may designate not more than four companies, in 12 addition to the company that was designated by a governing board of an employing 13 institution on or before March 1, 1993, from which annuity contracts are to be 14 purchased under the program.
- 15 (b) (1) The Board of Trustees shall approve the form and contents of 16 annuity contracts to be offered by a company that is designated by the Board of 17 Trustees under subsection (a) of this section.
- 18 (2) The Board of Trustees may also approve the form and contents of 19 additional types of annuity contracts to be offered for the first time after October 1, 20 1993, by the company designated by the governing board of an employing institution 21 on or before March 1, 1993.
- 22 (c) In making the designation and giving approval under this section, the 23 Board of Trustees shall consider:
- 24 (1) the nature and extent of the rights and benefits to be provided by 25 the annuity contracts for participating employees and their beneficiaries;
- 26 (2) the relation of those rights and benefits to the amount of contributions to be made;
- 28 (3) the suitability of the rights and benefits to the needs of the 29 participating employees and the interests of the [employing institutions] 30 **SUPERVISING EMPLOYERS** in the recruitment and retention of participating 31 employees;
- 32 (4) the ability of the company to provide for suitable rights and 33 benefits under the annuity contracts;
  - (5) the selection of annuity contracts offered by the company;

- 1 the financial stability of the company and whether the company (6)2 meets minimum financial criteria, if any, including a minimum net worth 3 requirement, if any, established by the Board of Trustees; and 4 the effect of any fees, commissions, or other charges imposed or (7)5 collected in connection with an annuity contract. 6 30-207.7 Benefits under the program: 8 shall be payable to participating employees or their beneficiaries in 9 accordance with the terms of the annuity contracts; and 10 (2) are not payable by [the State or governing board of an employing 11 institution A SUPERVISING EMPLOYER. 12 30-210.With respect to a participating employee who is employed by an employing 13 institution or an institution over which the employing institution has administrative 14 the employing institution A SUPERVISING EMPLOYER, 15 16 SUPERVISING EMPLOYER shall administer the participating employee's enrollment, 17 termination, or retirement under the program. 30-301. 18 19 EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, AN 20 ELIGIBLE EMPLOYEE WHO, ON OR AFTER JULY 1, 2011, BECOMES AN EMPLOYEE OF A PARTICIPATING EMPLOYER IS A MEMBER OF THE OPTIONAL RETIREMENT 2122 PROGRAM AS A CONDITION OF EMPLOYMENT. 23An [individual is eligible to participate in the program if the individual is 24eligible for membership in a retirement system or a pension system and is **ELIGIBLE** EMPLOYEE IS AN INDIVIDUAL WHO: 2526 **IS** a member of the faculty of an employing institution; (1) 27 IS a professional employee at a community college or regional community college established under Title 16 of the Education Article; 28
- 29 (3) IS an employee of the University System of Maryland who is in a 30 position designated as exempt under a policy adopted by the University System of 31 Maryland Board of Regents;

1 2 3	(4) <b>IS</b> an employee of Morgan State University who is in a position designated as professional or administrative by the Board of Regents of Morgan State University; [or]
4 5 6	(5) IS an employee of St. Mary's College of Maryland who is in a position determined by the Board of Trustees of the College to be a professional or faculty position; OR
7 8	(6) ON OR AFTER JULY 1, 2011, BECOMES AN EMPLOYEE OF A PARTICIPATING EMPLOYER AS:
9 10	(I) A REGULAR EMPLOYEE WHOSE COMPENSATION IS PROVIDED BY STATE APPROPRIATION OR PAID FROM STATE FUNDS;
11 12 13	(II) AN APPOINTED OR ELECTED OFFICIAL OF THE STATE WHO IS APPOINTED OR ELECTED FOR A TERM OF OFFICE THAT BEGINS ON OR AFTER JULY 1, 2011, INCLUDING:
14	1. A CLERK OF THE CIRCUIT COURT;
15	2. A REGISTER OF WILLS;
16	3. A STATE'S ATTORNEY; AND
17	4. A SHERIFF;
18 19 20	(III) AN EMPLOYEE OF A DAY SCHOOL IN THE STATE UNDER THE AUTHORITY AND SUPERVISION OF A COUNTY BOARD OF EDUCATION OR THE BALTIMORE CITY BOARD OF SCHOOL COMMISSIONERS EMPLOYED AS:
21	1. A CLERK;
22	2. A HELPING TEACHER;
23	3. A PRINCIPAL;
24	4. A SUPERINTENDENT;
25	5. A SUPERVISOR; OR
26	6. A TEACHER;
27 28	(IV) A LIBRARIAN OR CLERICAL EMPLOYEE OF A LIBRARY THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE;

- 1 (V) A STAFF EMPLOYEE OF THE UNIVERSITY SYSTEM OF 2 MARYLAND, MORGAN STATE UNIVERSITY, OR ST. MARY'S COLLEGE OF
- MARYLAND WHO IS A MEMBER OF THE TEACHERS' PENSION SYSTEM AS OF
- 4 JANUARY 1, 1998, OR WHO TRANSFERRED FROM THE TEACHERS' RETIREMENT
- 5 SYSTEM ON OR AFTER JANUARY 1, 1998;
- 6 (VI) AN EMPLOYEE OR OFFICIAL OF A PARTICIPATING
- 7 GOVERNMENTAL UNIT THAT, ON OR AFTER JULY 1, 2011, HAS ELECTED TO
- 8 PARTICIPATE IN THE OPTIONAL RETIREMENT PROGRAM;
- 9 (VII) AN EMPLOYEE OF THE OFFICE OF THE SHERIFF OF
- 10 BALTIMORE CITY;
- 11 (VIII) AN EMPLOYEE OR AGENT OF THE STATE RACING
- 12 COMMISSION AUTHORIZED BY § 11-207 OF THE BUSINESS REGULATION
- 13 **ARTICLE**;
- 14 (IX) A PERMANENT EMPLOYEE OF THE BOARD OF
- 15 SUPERVISORS OF ELECTIONS OF A COUNTY;
- 16 (X) A FULL-TIME MASTER IN CHANCERY OR IN JUVENILE
- 17 CAUSES WHO WAS APPOINTED ON OR AFTER JULY 1, 1989, IN ANY COUNTY BY
- 18 THE CIRCUIT COURT FOR THAT COUNTY;
- 19 (XI) A NONFACULTY EMPLOYEE OF THE BALTIMORE CITY
- 20 COMMUNITY COLLEGE;
- 21 (XII) A STAFF EMPLOYEE OF THE UNIVERSITY SYSTEM OF
- 22 MARYLAND, MORGAN STATE UNIVERSITY, OR ST. MARY'S COLLEGE OF
- 23 MARYLAND;
- 24 (XIII) A POLICE EMPLOYEE AS DEFINED IN § 2–101 OF THE
- 25 PUBLIC SAFETY ARTICLE;
- 26 (XIV) A MARYLAND STATE POLICE CADET;
- 27 (XV) A CORRECTIONAL OFFICER SERVING IN ANY OF THE
- 28 FIRST SIX JOB CLASSIFICATIONS;
- 29 (XVI) A SECURITY ATTENDANT AT THE CLIFTON T. PERKINS
- 30 HOSPITAL CENTER;

1	(XVII) A	<b>DETENTION</b>	CENTER	OFFICER	EMPLOYED	$\mathbf{R}\mathbf{Y}$	A
1	$(X \land II) \land$	DETENTION		OLLICER		DТ	$\Gamma$

- 2 PARTICIPATING GOVERNMENTAL UNIT THAT, ON OR AFTER JULY 1, 2011, HAS
- 3 ELECTED TO PARTICIPATE IN THE OPTIONAL RETIREMENT PROGRAM;
- 4 (XVIII) A CORRECTIONAL DIETARY, MAINTENANCE,
- 5 LAUNDRY, OR SUPPLY OFFICER;
- 6 (XIX) A MARYLAND CORRECTIONAL ENTERPRISES OFFICER,
- 7 OFFICER TRAINEE, PLANT SUPERVISOR, PLANT MANAGER, OR REGIONAL
- 8 MANAGER;
- 9 (XX) AN EMPLOYEE OF THE DEPARTMENT OF NATURAL
- 10 RESOURCES COMMISSIONED BY THE SECRETARY OF NATURAL RESOURCES AS:
- 11 1. A NATURAL RESOURCES POLICE OFFICER; OR
- 12 2. A LAW ENFORCEMENT OFFICER OTHER THAN A
- 13 NATURAL RESOURCES POLICE OFFICER;
- 14 (XXI) A LAW ENFORCEMENT OFFICER EMPLOYED BY THE
- 15 FIELD ENFORCEMENT BUREAU;
- 16 (XXII) A MEMBER OF THE MARYLAND TRANSPORTATION
- 17 AUTHORITY POLICE FORCE WHO HAS THE POWERS GRANTED TO A POLICE
- 18 OFFICER UNDER § 4–208 OF THE TRANSPORTATION ARTICLE;
- 19 (XXIII) A DEPUTY SHERIFF EMPLOYED BY THE
- 20 BALTIMORE CITY SHERIFF'S DEPARTMENT;
- 21 (XXIV) A MEMBER OF THE UNIVERSITY OF MARYLAND
- 22 POLICE FORCE WHO HAS THE POWERS GRANTED TO A POLICE OFFICER UNDER
- 23 § 13–601 OF THE EDUCATION ARTICLE;
- 24 (XXV) A LAW ENFORCEMENT OFFICER OR FIREFIGHTER
- 25 EMPLOYED BY A PARTICIPATING GOVERNMENTAL UNIT THAT, ON OR AFTER
- July 1, 2011, has elected to participate in the optional retirement
- 27 PROGRAM;
- 28 (XXVI) THE STATE FIRE MARSHAL OR A DEPUTY STATE
- 29 FIRE MARSHAL;
- 30 (XXVII) A MEMBER OF THE MORGAN STATE UNIVERSITY
- 31 POLICE FORCE WHO HAS THE POWERS GRANTED TO A POLICE OFFICER UNDER
- 32 § 14–106 OF THE EDUCATION ARTICLE;

- 1 (XXVIII) A MEMBER OF THE BWI AIRPORT FIRE &
- 2 RESCUE DEPARTMENT;
- 3 (XXIX) A MEMBER OF THE DEPARTMENT OF GENERAL
- 4 SERVICES POLICE FORCE WHO HAS THE POWERS GRANTED TO A POLICE
- 5 OFFICER UNDER § 4-605 OF THE STATE FINANCE AND PROCUREMENT
- 6 ARTICLE;
- 7 (XXX) AN EMPLOYEE OF THE DEPARTMENT OF HEALTH AND
- 8 MENTAL HYGIENE COMMISSIONED BY THE SECRETARY OF HEALTH AND
- 9 MENTAL HYGIENE AS A HEALTH AND MENTAL HYGIENE POLICE OFFICER;
- 10 (XXXI) AN EMPLOYEE OF THE MOTOR VEHICLE
- ADMINISTRATION COMMISSIONED BY THE SECRETARY OF TRANSPORTATION AS
- 12 A MOTOR VEHICLE ADMINISTRATION POLICE OFFICER;
- 13 (XXXII) AN EMPLOYEE OF THE DEPARTMENT OF LABOR,
- 14 LICENSING, AND REGULATION COMMISSIONED BY THE SECRETARY OF LABOR,
- 15 LICENSING, AND REGULATION AS A LABOR, LICENSING, AND REGULATION
- 16 POLICE OFFICER;
- 17 (XXXIII) A FIREFIGHTER OR LAW ENFORCEMENT OFFICER
- 18 FOR THE MARTIN STATE AIRPORT EMPLOYED BY THE MILITARY DEPARTMENT;
- 19 (XXXIV) A POLICE OFFICER EMPLOYED BY THE DIVISION
- 20 OF REHABILITATION SERVICES IN THE DEPARTMENT OF EDUCATION,
- 21 CERTIFIED IN ACCORDANCE WITH THE MARYLAND POLICE AND
- 22 CORRECTIONAL TRAINING COMMISSION:
- 23 (XXXV) A FIREFIGHTER OR PARAMEDIC EMPLOYED BY
- 24 THE SALISBURY FIRE DEPARTMENT WHO IS ELIGIBLE TO BE A MEMBER OF A
- 25 PARTICIPATING GOVERNMENTAL UNIT, AS PROVIDED IN TITLE 31, SUBTITLE 2A
- 26 OF THIS ARTICLE;
- 27 (XXXVI) AN AVIATOR EMPLOYED BY THE DEPARTMENT OF
- 28 STATE POLICE TO OPERATE AN AIRCRAFT FOR THE STATE EMERGENCY
- 29 MEDICAL SYSTEM;
- 30 (XXXVII) A MEMBER OF THE MARYLAND TRANSIT
- 31 ADMINISTRATION POLICE FORCE WHO HAS THE POWERS GRANTED TO A
- 32 POLICE OFFICER UNDER § 7–207 OF THE TRANSPORTATION ARTICLE;

- 1 (XXXVIII) A MEMBER OF THE DEPARTMENT OF PUBLIC
- 2 SAFETY AND CORRECTIONAL SERVICES INTERNAL INVESTIGATIVE UNIT WHO
- 3 HAS THE POWERS GRANTED TO A POLICE OFFICER UNDER § 10-701 OF THE
- 4 CORRECTIONAL SERVICES ARTICLE;
- 5 (XXXIX) A POLICE OFFICER EMPLOYED BY THE
- 6 BALTIMORE CITY COMMUNITY COLLEGE WHO HAS THE POWER GRANTED TO A
- 7 POLICE OFFICER UNDER § 16–513 OF THE EDUCATION ARTICLE;
- 8 (XL) A JUDGE OF THE COURT OF APPEALS, THE COURT OF
- 9 SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY, OR THE DISTRICT COURT
- 10 **OF MARYLAND; OR**
- 11 (XLI) A MEMBER OF THE STATE WORKERS' COMPENSATION
- 12 COMMISSION.
- 13 (C) (1) MEMBERSHIP IN THE OPTIONAL RETIREMENT PROGRAM IS
- 14 **OPTIONAL FOR:**
- 15 (I) A MEMBER OF THE FACULTY OF AN EMPLOYING
- 16 INSTITUTION ON JUNE **30**, **2011**;
- 17 (II) A PROFESSIONAL EMPLOYEE AT A COMMUNITY
- 18 COLLEGE OR REGIONAL COMMUNITY COLLEGE, ESTABLISHED UNDER TITLE 16
- 19 OF THE EDUCATION ARTICLE, ON JUNE 30, 2011;
- 20 (III) AN EMPLOYEE OF THE UNIVERSITY SYSTEM OF
- 21 MARYLAND ON JUNE 30, 2011, WHO IS IN A POSITION DESIGNATED AS EXEMPT
- 22 UNDER A POLICY ADOPTED BY THE UNIVERSITY SYSTEM OF MARYLAND BOARD
- 23 **OF REGENTS**;
- 24 (IV) AN EMPLOYEE OF MORGAN STATE UNIVERSITY ON
- June 30, 2011, who is in a position designated as professional or
- 26 ADMINISTRATIVE BY THE BOARD OF REGENTS OF MORGAN STATE UNIVERSITY;
- 27 **OR**

- 28 (V) AN EMPLOYEE OF ST. MARY'S COLLEGE OF MARYLAND
- 29 ON JUNE 30, 2011, WHO IS IN A POSITION DETERMINED BY THE BOARD OF
- 30 TRUSTEES OF THE COLLEGE TO BE A PROFESSIONAL OR FACULTY POSITION.
- 31 (2) AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS
- 32 SUBSECTION IS SUBJECT TO §§ 30–302 THROUGH 30–306 OF THIS SUBTITLE.
  - [(b)] **(D)** (1) This subsection applies to an individual who:

$\frac{1}{2}$	(i) on August 22, 2004, was eligible to participate in the program; and
3 4 5 6	(ii) is in a position that, as of August 23, 2004, was reclassified by the University System of Maryland Board of Regents or the Board of Regents of Morgan State University and would no longer be eligible for participation in the program under subsection (a) of this section.
7 8	(2) An individual described under paragraph (1) of this subsection may continue to participate in the program if the individual:
9 10	(i) would otherwise be eligible for membership in a system under the State Retirement and Pension System; and
11	(ii) is employed by an employing institution.
12	30–302.
13 14 15	(a) An election to participate in the program shall be made by an eligible employee UNDER § 30–301(C)(1) OF THIS SUBTITLE within 1 year of first becoming an eligible employee of [an employing institution] A SUPERVISING EMPLOYER.
16 17	(b) An eligible employee's election to participate in the program <b>UNDER THIS SECTION</b> is a one—time irrevocable election.
18	30–303.
19 20	(a) An eligible employee UNDER § 30–301(C)(1) OF THIS SUBTITLE shall elect to:
21 22	(1) join a pension or retirement system in accordance with the provisions of this Division II applicable to that system; or
23	(2) participate in the program.
24	(b) An eligible employee UNDER § 30–301(C)(1) OF THIS SUBTITLE shall:
25	(1) make an election under this section in writing; and
26 27 28	(2) file the election with the Board of Trustees and the [employing institution] SUPERVISING EMPLOYER within 1 year of first becoming an eligible employee of [an employing institution] A SUPERVISING EMPLOYER.
29	(c) An eligible employee UNDER § 30–301(C)(1) OF THIS SUBTITLE may

not participate in the program if both the Board of Trustees and the [employing

institution] SUPERVISING EMPLOYER have not received the eligible employee's

30

- 1 written election required under subsection (b) of this section, within 1 year of first
- 2 becoming an eligible employee with [an employing institution] A SUPERVISING
- 3 EMPLOYER.
- 4 (d) The effective date of the election shall be the first day of the month after
- 5 the election.
- 6 30–305.
- 7 (a) This section applies only to a State employee who becomes eligible to 8 elect participation in the program if the employee is appointed, promoted, transferred,
- 9 or reclassified to a position as an eligible employee ON OR BEFORE JUNE 30, 2011.
- 10 (b) A State employee described in subsection (a) of this section may elect to 11 participate in the program.
- 12 (c) An eligible employee shall:
- 13 (1) make an election under this section in writing; and
- 14 (2) file the election with the Board of Trustees and the [employing 15 institution] SUPERVISING EMPLOYER within 1 year of first becoming an eligible
- 16 employee of [an employing institution] A SUPERVISING EMPLOYER.
- 17 (d) An eligible employee may not participate in the program if both the
- 18 Board of Trustees and the [employing institution] SUPERVISING EMPLOYER have
- 19 not received the eligible employee's written election required under subsection (c) of
- 20 this section, within 1 year of first becoming an eligible employee with [an employing
- 21 institution A SUPERVISING EMPLOYER.
- 22 30–306.
- An election of the program by an eligible employee UNDER § 30-301(C)(1) OF
- 24 THIS SUBTITLE is only effective when the election is accompanied by an appropriate
- application, if required, for the issuance of an annuity contract under the program.
- 26 30–307.
- (e) [A participating employee] AN ELIGIBLE EMPLOYEE UNDER §
- 28 **30–301(C)(1) OF THIS SUBTITLE** is ineligible for membership in a retirement system
- 29 or pension system while the [participating employee] ELIGIBLE EMPLOYEE is
- 30 employed in any eligible position by any [employing institution] SUPERVISING
- 31 EMPLOYER.
- 32 31–101.

1 In this subtitle the following words have the meanings indicated. (a) 2 "Effective date" means the date that an eligible governmental unit 3 commenced or commences participation in an employees' system OR THE OPTIONAL 4 RETIREMENT PROGRAM. 5 (d) "Eligible governmental unit" means: 6 **(1)** a governmental unit that is eligible to participate in the employees' 7 systems under § 31–102 of this subtitle ON OR BEFORE JUNE 30, 2011; OR 8 **(2)** A GOVERNMENTAL UNIT THAT IS ELIGIBLE TO PARTICIPATE IN THE OPTIONAL RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE 9 ON OR AFTER JULY 1, 2011. 10 11 31 - 102.12 Subject to § 22–202(b) of this article, the governmental units that are eligible to participate in the employees' systems OR THE OPTIONAL RETIREMENT PROGRAM 13 14 are: 15 (1) a political subdivision of the State, including: 16 (i) a county: 17 (ii) a municipal corporation; and 18 (iii) a special taxing area; and 19 (2) the following governmental units: 20 (i) an agency on aging, as designated by the legislative body of 21the agency on aging; 22 (ii) the Allegany County Transit Authority; 23 (iii) subject to § 31–104 of this subtitle, the Baltimore 24Metropolitan Council; 25 a board or commission created by an Act of the General (iv) 26 Assembly for public purpose and not for the profit of a private person; 27 subject to § 31-105 of this subtitle, the Canal Place Preservation and Development Authority; 28

the Chesapeake Bay Commission;

29

(vi)

1		(vii)	a cooperative library commission;
2 3	agency, as designa	(viii) ted by	subject to § 31–103 of this subtitle, a community action the legislative body of the community action agency;
4 5 6	through a county subdivision of the		a fire department that receives any of its funds from or nicipal corporation, special taxing area, or other political
7		(x)	the Health Planning Council of Appalachia;
8		(xi)	the Howard County Economic Development Authority;
9		(xii)	the Interstate Commission on the Potomac River Basin;
10		(xiii)	the Lower Shore Private Industry Council, Inc.;
11		(xiv)	the Maryland Environmental Service;
12 13	Authority;	(xv)	subject to § 31–106 of this subtitle, the Maryland Stadium
14		(xvi)	a public library association or organization;
15		(xvii)	the St. Mary's County Nursing Home;
16		(xviii)	the Tri–County Council for Western Maryland, Inc.;
17		(xix)	the Tri-County Council for Southern Maryland;
18 19	Maryland Medical	(xx) Syster	subject to § 31–107 of this subtitle, the University of n Corporation;
20		(xxi)	the Upper Potomac River Commission;
21 22	American Museum	, ,	subject to § 31–106.1 of this subtitle, the Maryland African oration; and
23		(xxiii)	the Garrett County Office for Children, Youth and Families.
24	31–109.		
25 26		-	ed in § 31–110 of this subtitle, an employee of an eligible itled to be a member of the Employees' Pension System if:
27	(1)	(i)	the employee is not a member of a local pension system; and

- 1 (ii) the legislative body of the eligible governmental unit 2 approves participation of the eligible governmental unit in the Employees' Pension 3 System ON OR BEFORE JUNE 30, 2011; or
- 4 (2) (i) the employee is a member of a local pension system;
- 5 (ii) at least 60% of the members of the local pension system 6 petition to become members of the Employees' Pension System **ON OR BEFORE JUNE** 7 **30, 2011**; and
- 8 (iii) the legislative body of the eligible governmental unit 9 approves participation of the eligible governmental unit in the Employees' Pension 10 System ON OR BEFORE JUNE 30, 2011, as though the local pension system were not 11 in operation.
- 12 **31–109.2.**
- AN EMPLOYEE OF AN ELIGIBLE GOVERNMENTAL UNIT IS ENTITLED TO BE
  A MEMBER OF THE OPTIONAL RETIREMENT PROGRAM IF:
- 15 (1) (I) THE EMPLOYEE IS NOT A MEMBER OF A LOCAL PENSION SYSTEM OR STATE SYSTEM; AND
- 17 (II) THE **LEGISLATIVE** OF BODY THE **ELIGIBLE** 18 **UNIT** APPROVES **PARTICIPATION** GOVERNMENTAL  $\mathbf{OF}$ THE **ELIGIBLE** GOVERNMENTAL UNIT IN THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER 19 20 JULY 1, 2011; OR
- 21 **(2)** (I) THE EMPLOYEE IS A MEMBER OF A LOCAL PENSION 22 SYSTEM OR STATE SYSTEM;
- 23 (II) AT LEAST 60% OF THE MEMBERS OF THE LOCAL 24 PENSION SYSTEM OR STATE SYSTEM PETITION TO BECOME MEMBERS OF THE 25 OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011; AND
- 26 (III) THE **LEGISLATIVE BODY** OF THE **ELIGIBLE** 27 **UNIT** APPROVES **GOVERNMENTAL PARTICIPATION**  $\mathbf{OF}$ THE **ELIGIBLE** 28 GOVERNMENTAL UNIT IN THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER 29 July 1, 2011, as though the local pension system or State system 30 WERE NOT IN OPERATION.
- 31 **31–109.3.**
- THE EFFECTIVE DATE OF PARTICIPATION FOR AN ELIGIBLE GOVERNMENTAL UNIT IS JULY 1 OF THE YEAR FOLLOWING THE FISCAL YEAR IN

- 1 WHICH THE ELIGIBLE GOVERNMENTAL UNIT ELECTS TO PARTICIPATE IN THE
- 2 OPTIONAL RETIREMENT PROGRAM.
- 3 **31–111.7.**
- 4 IF AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT JOINS THE
- 5 OPTIONAL RETIREMENT PROGRAM ON THE EFFECTIVE DATE, THE EMPLOYEE IS
- 6 NOT ENTITLED TO SERVICE CREDIT FOR EMPLOYMENT WITH THE
- 7 PARTICIPATING GOVERNMENTAL UNIT BEFORE THE EFFECTIVE DATE.
- 8 **31–112.1.**
- 9 AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT WHO IS A
- 10 MEMBER OF THE OPTIONAL RETIREMENT PROGRAM IS ENTITLED TO THE
- 11 BENEFITS TO WHICH STATE EMPLOYEES ARE ENTITLED UNDER THAT SYSTEM.
- 12 31–113.
- 13 (a) Except as provided in subsection (b) of this section, the operation of the
- local pension system of an eligible governmental unit terminates on the effective date.
- (b) (1) An eligible governmental unit may elect to continue to operate a
- local pension system after the effective date of participation in the Employees' Pension
- 17 System **OR THE OPTIONAL RETIREMENT PROGRAM** to provide benefits to a person
- 18 who:
- (i) is receiving benefits from the local pension system;
- 20 (ii) is eligible to receive benefits from the local pension system
- 21 on account of the person's previous employment by the eligible governmental unit; or
- 22 (iii) did not elect to join the Employees' Pension System under §
- 23 23–204(b) of this article.
- 24 (2) A person may not be enrolled in the local pension system of a
- 25 participating governmental unit electing to continue to operate its system under
- 26 paragraph (1) of this subsection if the person becomes employed or is rehired by the
- 27 participating governmental unit on or after the effective date of participation of the
- 28 participating governmental unit in the Employees' Pension System OR THE
- 29 OPTIONAL RETIREMENT PROGRAM.
- 30 (c) The liability for the continuation of benefits under subsection (b) of this
- 31 section shall be included in the computation of the special accrued liability as provided
- 32 by § 21–305.3 of this article.
- 33 (d) (1) On the effective date:

1 the assets to the credit of the local pension system of the (i) 2 participating governmental unit that are attributable to the employees of the 3 participating governmental unit who elect to become members of the Employees' 4 Pension System under § 23-204(b) of this article shall be transferred to the 5 Employees' Pension System; and 6 (ii) the trustee or other administrative head of the local pension 7 system shall certify the proportion of the funds of the local pension system that represents the accumulated contributions of the members as of that date. 8 9 (2)The accumulated contributions shall be credited to the respective annuity savings accounts of the members in the Employees' Pension System. 10 11 Any balance of the funds transferred to the Employees' Pension (3)System shall be offset against the special accrued liability to be funded by the 12 participating governmental unit as provided by § 21–305.3 of this article. 13 14 31-2A-01. In this subtitle the following words have the meanings indicated. 15 (a) 16 (b) "Effective date" means the date that an eligible governmental unit commenced or commences participation in the Law Enforcement Officers' Pension 17 System OR THE OPTIONAL RETIREMENT PROGRAM. 18 19 (c) "Eligible governmental unit" means: 20 a governmental unit that is eligible to participate in the Law Enforcement Officers' Pension System under § 31–2A–02 of this subtitle ON OR 21**BEFORE JUNE 30, 2011: OR** 22 23 **(2)** A GOVERNMENTAL UNIT THAT IS ELIGIBLE TO PARTICIPATE IN THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011. 2425 31-2A-02. 26 Subject to § 31–2A–03 of this subtitle, the governmental units that are eligible 27 to participate in the Law Enforcement Officers' Pension System OR THE OPTIONAL 28 **RETIREMENT PROGRAM** are: 29 (1) counties; and

municipal corporations.

31 31–2A–03.

(2)

- (a) If at least 60% of the law enforcement officers of an eligible governmental unit who are members of a local pension system or State system petition to become members of the Law Enforcement Officers' Pension System **ON OR BEFORE JUNE 30, 2011**, the legislative body of the eligible governmental unit may approve the participation of these law enforcement officers in the Law Enforcement Officers' Pension System as though the local pension system were not in operation.
- (b) If at least 60% of the firefighters and paramedics employed by the Salisbury Fire Department petition to become members of the Law Enforcement Officers' Pension System ON OR BEFORE JUNE 30, 2011, the legislative body of the City of Salisbury, as an eligible governmental unit, may approve the participation of these firefighters and paramedics in the Law Enforcement Officers' Pension System.
- (c) If at least 60% of the firefighters of an eligible governmental unit who are members of a local pension system or State system petition to become members of the Law Enforcement Officers' Pension System **ON OR BEFORE JUNE 30, 2011**, the legislative body of the eligible governmental unit may approve the participation of these firefighters in the Law Enforcement Officers' Pension System as though the local pension system were not in operation.

## **31–2A–03.2.**

- (A) IF AT LEAST 60% OF THE LAW ENFORCEMENT OFFICERS OF AN ELIGIBLE GOVERNMENTAL UNIT WHO ARE MEMBERS OF A LOCAL PENSION SYSTEM OR STATE SYSTEM PETITION TO BECOME MEMBERS OF THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011, THE LEGISLATIVE BODY OF THE ELIGIBLE GOVERNMENTAL UNIT MAY APPROVE THE PARTICIPATION OF THESE LAW ENFORCEMENT OFFICERS IN THE OPTIONAL RETIREMENT PROGRAM AS THOUGH THE LOCAL PENSION SYSTEM OR STATE SYSTEM WERE NOT IN OPERATION.
- (B) IF AT LEAST 60% OF THE FIREFIGHTERS AND PARAMEDICS EMPLOYED BY THE SALISBURY FIRE DEPARTMENT PETITION TO BECOME MEMBERS OF THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011, THE LEGISLATIVE BODY OF THE CITY OF SALISBURY, AS AN ELIGIBLE GOVERNMENTAL UNIT, MAY APPROVE THE PARTICIPATION OF THESE FIREFIGHTERS AND PARAMEDICS IN THE OPTIONAL RETIREMENT PROGRAM.
- (C) IF AT LEAST 60% OF THE FIREFIGHTERS OF AN ELIGIBLE GOVERNMENTAL UNIT WHO ARE MEMBERS OF A LOCAL PENSION SYSTEM OR STATE SYSTEM PETITION TO BECOME MEMBERS OF THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011, THE LEGISLATIVE BODY OF THE ELIGIBLE GOVERNMENTAL UNIT MAY APPROVE THE PARTICIPATION OF THESE FIREFIGHTERS IN THE OPTIONAL RETIREMENT PROGRAM AS THOUGH THE LOCAL PENSION SYSTEM OR STATE SYSTEM WERE NOT IN OPERATION.

## 1 **31–2A–03.3.**

- 2 THE EFFECTIVE DATE OF PARTICIPATION FOR AN ELIGIBLE
- 3 GOVERNMENTAL UNIT IS JULY 1 OF THE YEAR FOLLOWING THE FISCAL YEAR IN
- 4 WHICH THE ELIGIBLE GOVERNMENTAL UNIT ELECTS TO PARTICIPATE IN THE
- 5 OPTIONAL RETIREMENT PROGRAM.
- 6 **31-2A-04.1.**
- 7 IF A LAW ENFORCEMENT OFFICER, FIREFIGHTER, OR PARAMEDIC JOINS
- 8 THE OPTIONAL RETIREMENT PROGRAM ON THE EFFECTIVE DATE, THE MEMBER
- 9 IS NOT ENTITLED TO CREDIT FOR EMPLOYMENT WITH THE PARTICIPATING
- 10 GOVERNMENTAL UNIT BEFORE THE EFFECTIVE DATE.
- 11 31-2A-05.
- 12 (a) If an eligible governmental unit approves participation in the Law
- 13 Enforcement Officers' Pension System OR THE OPTIONAL RETIREMENT PROGRAM,
- 14 the operation of the local pension system or State system with respect to the law
- enforcement officers, firefighters, or paramedics terminates on the effective date.
- 16 (b) (1) On the effective date:
- 17 (i) the assets to the credit of the local pension system or State
- 18 system that relate to the law enforcement officers, firefighters, or paramedics who
- 19 elect to become members OF THE LAW ENFORCEMENT OFFICERS' PENSION
- 20 SYSTEM shall be transferred to the Law Enforcement Officers' Pension System; and
- 21 (ii) the trustee or other administrative head of the local pension
- 22 system or State system shall certify the proportion of the funds of the local pension
- 23 system or State system that represents the accumulated contributions of the members
- as of that date.
- 25 (2) The accumulated contributions shall be credited to the respective
- annuity savings accounts of the members in the Law Enforcement Officers' Pension
- 27 System.
- 28 (3) The balance of the funds transferred to the Law Enforcement
- 29 Officers' Pension System shall be offset against the special accrued liability to be
- 30 funded by the participating governmental unit as provided by § 21–306.1(d) of this
- 31 article.
- 32 31–2B–01.
- 33 (a) In this subtitle the following words have the meanings indicated.

- 1 (b) "Effective date" means the date that an eligible governmental unit 2 commenced or commences participation in the Correctional Officers' Retirement 3 System OR THE OPTIONAL RETIREMENT PROGRAM.
  - (c) "Eligible governmental unit" means:
- 5 (1) a governmental unit that is eligible to participate in the 6 Correctional Officers' Retirement System under § 31–2B–02 of this subtitle ON OR 7 BEFORE JUNE 30, 2011; OR
- 8 (2) A GOVERNMENTAL UNIT THAT IS ELIGIBLE TO PARTICIPATE 9 IN THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011.
- 10 31–2B–02.
- Subject to § 31–2B–03 of this subtitle, the governmental units that are eligible to participate in the Correctional Officers' Retirement System **OR THE OPTIONAL**
- 13 **RETIREMENT PROGRAM** are:
- 14 (1) counties; and
- 15 (2) municipal corporations.
- 16 31–2B–03.
- If at least 60% of the local detention center officers of an eligible governmental unit who are members of a local pension system or State system petition to become members of the Correctional Officers' Retirement System ON OR BEFORE JUNE 30, 2011, the legislative body of the eligible governmental unit may approve the participation of these local detention center officers in the Correctional Officers' Retirement System as though the local pension system were not in operation.
- 23 **31–2B–03.2.**
- IF AT LEAST 60% OF THE LOCAL DETENTION CENTER OFFICERS OF AN 2425ELIGIBLE GOVERNMENTAL UNIT WHO ARE MEMBERS OF A LOCAL PENSION 26 SYSTEM OR STATE SYSTEM PETITION TO BECOME MEMBERS OF THE OPTIONAL RETIREMENT PROGRAM ON OR AFTER JULY 1, 2011, THE LEGISLATIVE BODY OF 27 28 THE ELIGIBLE GOVERNMENTAL UNIT MAY APPROVE THE PARTICIPATION OF 29 THESE LOCAL DETENTION CENTER OFFICERS IN THE OPTIONAL RETIREMENT 30 PROGRAM AS THOUGH THE LOCAL PENSION SYSTEM OR STATE SYSTEM WERE 31 NOT IN OPERATION.
- 32 **31–2B–04.1.**

- IF A LOCAL DETENTION CENTER OFFICER JOINS THE OPTIONAL RETIREMENT PROGRAM ON THE EFFECTIVE DATE, THE MEMBER IS NOT ENTITLED TO CREDIT FOR EMPLOYMENT WITH THE PARTICIPATING GOVERNMENTAL UNIT BEFORE THE EFFECTIVE DATE.
- 5 31–2B–05.
- 6 (a) If an eligible governmental unit approves participation in the 7 Correctional Officers' Retirement System OR THE OPTIONAL RETIREMENT 8 PROGRAM, the operation of the local pension system or State system with respect to the local detention center officers terminates on the effective date.
- 10 (b) (1) On the effective date:
- 11 (i) the assets to the credit of the local pension system or State 12 system that relate to the local detention center officers who elect to become members 13 **OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM** shall be transferred to 14 the Correctional Officers' Retirement System; and
- 15 (ii) the trustee or other administrative head of the local pension 16 system or State system shall certify the proportion of the funds of the local pension 17 system that represents the accumulated contributions of the members as of that date.
- 18 (2) The accumulated contributions shall be credited to the respective 19 annuity savings accounts of the members in the Correctional Officers' Retirement 20 System.
- 21 (3) The balance of the funds transferred to the Correctional Officers' Retirement System shall be offset against the special accrued liability to be funded by the participating governmental unit as provided by § 21–306.1(d) of this article.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2011.