

SB0152/133923/1

BY: Senator Pipkin

AMENDMENTS TO SENATE BILL 152
(First Reading File Bill – Committee Reprint)

AMENDMENT NO. 1

On page 2, strike beginning with “requiring” in line 22 down through “years;” in line 31 and substitute “requiring the State Board of Education to provide for the calculation of a payment of a certain portion of employer contributions for certain members of the Teachers’ Retirement System or the Teachers’ Pension System; requiring certain counties to pay a certain amount of employer contributions for certain members of the Teachers’ Retirement System or the Teachers’ Pension System; requiring the State to pay, under certain circumstances, a certain portion of certain employer contributions for certain members of the Teachers’ Retirement System or the Teachers’ Pension System; altering the amount of employer contributions the State is required to pay for certain members of the Teachers’ Retirement System or the Teachers’ Pension System; providing for the method of payment each county is required to make to the Board of Trustees for the State Retirement and Pension System regarding a certain portion of employer contributions for certain members of the Teachers’ Retirement System or the Teachers’ Pension System; requiring the State Board of Education, the Maryland Higher Education Commission, and each county to submit certain information to the Board of Trustees on or before a certain date each year; requiring the Board of Trustees to make certain determinations based on certain information;”.

On page 6, in line 5, strike “21-304(a) and (b) and 21-308(a)(1)” and substitute “21-304 and 21-308”; and in line 10, strike “and 21-304(c)”.

AMENDMENT NO. 2

On pages 33 through 40, strike in their entirety the lines beginning with line 18 on page 33 through line 6 on page 40, inclusive, and substitute:

(Over)

“(a) (1) In this section the following words have the meanings indicated.

(2) “Preliminary funding rate” means the sum of:

(i) the aggregate normal rate that is based on the normal contribution rate calculated under subsection [(c)] (D) of this section; and

(ii) the aggregate unfunded accrued liability contribution rate that is based on the unfunded accrued liability contribution rate under subsection [(d)(1)(i)] (E)(1)(I) and (ii)1 and 2 and (2) of this section.

(3) “Funding ratio for the employees’ systems” means the actuarial value of assets for the employees’ systems divided by the actuarial accrued liability for the employees’ systems.

(4) “Funding ratio for the teachers’ systems” means the actuarial value of assets for the teachers’ systems divided by the actuarial accrued liability for the teachers’ systems.

(5) “LOCAL COMMUNITY COLLEGE EMPLOYEES” MEANS THOSE MEMBERS OF THE TEACHERS’ RETIREMENT SYSTEM OR THE TEACHERS’ PENSION SYSTEM WHO ARE FACULTY, PROFESSIONAL, OR CLERICAL EMPLOYEES OF A COMMUNITY COLLEGE THAT IS ESTABLISHED UNDER THE EDUCATION ARTICLE.

(6) “LOCAL COMMUNITY COLLEGE SHARE” MEANS THAT PORTION OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES THAT IS:

(I) SOLELY ATTRIBUTABLE TO THE AMOUNT OF A LOCAL COMMUNITY COLLEGE EMPLOYEE'S SALARY THAT IS IN EXCESS OF THE STATEWIDE MEDIAN COMMUNITY COLLEGE EMPLOYEE SALARY; AND

(II) ATTRIBUTABLE TO THE LOCAL COMMUNITY COLLEGE EMPLOYEES OF EACH COUNTY.

(7) "LOCAL LIBRARIAN EMPLOYEES" MEANS THOSE MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM OR THE TEACHERS' PENSION SYSTEM WHO ARE LIBRARIANS OR CLERICAL EMPLOYEES OF A LIBRARY THAT IS ESTABLISHED OR OPERATES UNDER THE EDUCATION ARTICLE.

(8) "LOCAL LIBRARIAN SHARE" MEANS THAT PORTION OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES THAT IS:

(I) SOLELY ATTRIBUTABLE TO THE AMOUNT OF A LOCAL LIBRARIAN EMPLOYEE'S SALARY THAT IS IN EXCESS OF THE STATEWIDE MEDIAN LIBRARIAN EMPLOYEE SALARY; AND

(II) ATTRIBUTABLE TO THE LOCAL LIBRARIAN EMPLOYEES OF EACH COUNTY.

(9) "LOCAL MEDIAN COMMUNITY COLLEGE EMPLOYEE SALARY" MEANS THE MEDIAN ANNUAL SALARY OF ALL LOCAL COMMUNITY COLLEGE EMPLOYEES FOR EACH COUNTY AS DETERMINED BY EACH COUNTY AND SUBMITTED TO THE BOARD OF TRUSTEES UNDER SUBSECTION (A-1) OF THIS SECTION.

(10) “LOCAL MEDIAN LIBRARIAN EMPLOYEE SALARY” MEANS THE MEDIAN ANNUAL SALARY OF ALL LOCAL LIBRARIAN EMPLOYEES FOR EACH COUNTY AS DETERMINED BY EACH COUNTY AND SUBMITTED TO THE BOARD OF TRUSTEES UNDER SUBSECTION (A-1) OF THIS SECTION.

(11) “LOCAL MEDIAN TEACHER EMPLOYEE SALARY” MEANS THE MEDIAN ANNUAL SALARY OF ALL LOCAL TEACHER EMPLOYEES FOR EACH COUNTY AS DETERMINED BY EACH COUNTY AND SUBMITTED TO THE BOARD OF TRUSTEES UNDER SUBSECTION (A-1) OF THIS SECTION.

(12) “LOCAL TEACHER EMPLOYEES” MEANS THOSE MEMBERS OF THE TEACHERS’ RETIREMENT SYSTEM OR THE TEACHERS’ PENSION SYSTEM WHO ARE EMPLOYEES 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:

- (I) A CLERK;**
- (II) A HELPING TEACHER;**
- (III) A TEACHER;**
- (IV) A SUPERVISOR;**
- (V) A PRINCIPAL; OR**
- (VI) A SUPERINTENDENT.**

(13) “LOCAL TEACHER SHARE” MEANS THAT PORTION OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES THAT IS:

(I) SOLELY ATTRIBUTABLE TO THE AMOUNT OF A LOCAL TEACHER EMPLOYEE’S SALARY THAT IS IN EXCESS OF THE STATEWIDE MEDIAN TEACHER EMPLOYEE SALARY; AND

(II) ATTRIBUTABLE TO THE LOCAL TEACHER EMPLOYEES OF EACH COUNTY.

[(5)] (14) “State member” does not include a member on whose behalf a participating governmental unit is required to make an employer contribution under § 21–305 or § 21–306 of this subtitle.

(15) “STATEWIDE MEDIAN LOCAL COMMUNITY COLLEGE EMPLOYEE SALARY” MEANS THE MEDIAN ANNUAL SALARY OF ALL LOCAL COMMUNITY COLLEGE EMPLOYEES AS DETERMINED BY THE MARYLAND HIGHER EDUCATION COMMISSION AND SUBMITTED TO THE BOARD OF TRUSTEES UNDER SUBSECTION (A–1) OF THIS SECTION.

(16) “STATEWIDE MEDIAN LOCAL LIBRARIAN EMPLOYEE SALARY” MEANS THE MEDIAN ANNUAL SALARY OF ALL LOCAL LIBRARIAN EMPLOYEES AS DETERMINED BY THE STATE BOARD OF EDUCATION AND SUBMITTED TO THE BOARD OF TRUSTEES UNDER SUBSECTION (A–1) OF THIS SECTION.

(17) “STATEWIDE MEDIAN LOCAL TEACHER EMPLOYEE SALARY” MEANS THE MEDIAN ANNUAL SALARY OF ALL LOCAL TEACHER EMPLOYEES AS DETERMINED BY THE STATE BOARD OF EDUCATION AND SUBMITTED TO THE BOARD OF TRUSTEES UNDER SUBSECTION (A–1) OF THIS SECTION.

(18) "TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES" MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER SUBSECTION (B) OF THIS SECTION THAT IS ATTRIBUTABLE TO ALL LOCAL COMMUNITY COLLEGE EMPLOYEES.

(19) "TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES" MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER SUBSECTION (B) OF THIS SECTION THAT IS ATTRIBUTABLE TO ALL LOCAL LIBRARIAN EMPLOYEES.

(20) "TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES" MEANS THAT PORTION OF THE EMPLOYER CONTRIBUTION CALCULATED UNDER SUBSECTION (B) OF THIS SECTION THAT IS ATTRIBUTABLE TO ALL LOCAL TEACHER EMPLOYEES.

(A-1) (1) (I) ON OR BEFORE APRIL 1 OF EACH YEAR, THE STATE BOARD OF EDUCATION SHALL SUBMIT TO THE BOARD OF TRUSTEES:

1. THE AMOUNT OF THE STATEWIDE MEDIAN LOCAL LIBRARIAN EMPLOYEE SALARY FOR THE PRECEDING CALENDAR YEAR; AND

2. THE AMOUNT OF THE STATEWIDE MEDIAN LOCAL TEACHER EMPLOYEE SALARY FOR THE PRECEDING CALENDAR YEAR.

(II) 1. THIS SUBPARAGRAPH DOES NOT INCLUDE LOCAL COMMUNITY COLLEGE EMPLOYEES EMPLOYED BY BALTIMORE CITY COMMUNITY COLLEGE.

2. ON OR BEFORE APRIL 1 OF EACH YEAR, THE MARYLAND HIGHER EDUCATION COMMISSION SHALL SUBMIT TO THE BOARD OF TRUSTEES THE AMOUNT OF THE STATEWIDE MEDIAN LOCAL COMMUNITY COLLEGE EMPLOYEE SALARY FOR THE PRECEDING CALENDAR YEAR.

(2) ON OR BEFORE APRIL 1 OF EACH YEAR, EACH COUNTY SHALL SUBMIT TO THE BOARD OF TRUSTEES:

(I) THE AMOUNT OF THE LOCAL MEDIAN COMMUNITY COLLEGE EMPLOYEE SALARY FOR THE PRECEDING CALENDAR YEAR;

(II) THE AMOUNT OF THE LOCAL MEDIAN LIBRARIAN EMPLOYEE SALARY FOR THE PRECEDING CALENDAR YEAR; AND

(III) THE AMOUNT OF THE LOCAL MEDIAN TEACHER EMPLOYEE SALARY FOR THE PRECEDING CALENDAR YEAR.

(b) (1) [Each] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, EACH fiscal year, on behalf of the State members of each State system, the State shall pay to the appropriate accumulation fund an amount equal to or greater than the sum of the amount, if any, required to be included in the budget bill under § 3-501(c)(2)(ii) of this article and the product of multiplying:

(i) the aggregate annual earnable compensation of the State members of that State system; and

(ii) 1. for State members of the Law Enforcement Officers' Retirement System, State Police Retirement System, and the Judges' Retirement System, the sum of the normal contribution rate and the accrued liability contribution rate, as determined under this section;

(Over)

2. for State members of the Employees' Pension System, Employees' Retirement System, Correctional Officers' Retirement System, and Legislative Pension Plan, the employees' systems contribution rate determined under subsection [(e)] (F) of this section; or

3. for State members of the Teachers' Pension System and Teachers' Retirement System, the teachers' systems contribution rate determined under subsection [(f)] (G) of this section.

(2) The amount determined under paragraph (1) of this subsection for each State system shall be based on an actuarial determination of the amounts that are required to preserve the integrity of the funds of the several systems using:

(i) the entry-age actuarial cost method; and

(ii) actuarial assumptions adopted by the Board of Trustees.

(3) For the purpose of making the determinations required under this section:

(i) the Employees' Retirement System, the Employees' Pension System, the Correctional Officers' Retirement System, and the Legislative Pension Plan shall be considered together as one State system; and

(ii) the Teachers' Retirement System and the Teachers' Pension System shall be considered together as one State system.

(C) (1) (I) 1. THIS SUBPARAGRAPH DOES NOT APPLY TO:

A. BALTIMORE CITY COMMUNITY COLLEGE; AND

B. ANY COUNTY WHOSE LOCAL MEDIAN COMMUNITY COLLEGE EMPLOYEE SALARY IS LESS THAN THE STATEWIDE MEDIAN LOCAL COMMUNITY COLLEGE EMPLOYEE SALARY.

2. BEGINNING JULY 1, 2013, ON BEHALF OF THE LOCAL COMMUNITY COLLEGE EMPLOYEES OF EACH COUNTY, EACH COUNTY SHALL PAY EACH FISCAL YEAR TO THE APPROPRIATE ACCUMULATION FUND AN AMOUNT EQUAL TO OR GREATER THAN THE LOCAL COMMUNITY COLLEGE SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES.

3. A. FOR A REGIONAL COMMUNITY COLLEGE, AS DEFINED UNDER § 16-202 OF THE EDUCATION ARTICLE, THE OBLIGATION OF THE LOCAL COMMUNITY COLLEGE SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES SHALL BE SHARED BY EACH COUNTY SUPPORTING THE REGIONAL COMMUNITY COLLEGE.

B. EACH COUNTY'S SHARE SHALL BE PRORATED BY DIVIDING THE NUMBER OF FULL-TIME EQUIVALENT STUDENTS, AS CALCULATED UNDER § 16-305(B)(7) OF THE EDUCATION ARTICLE FOR THE SECOND PRIOR FISCAL YEAR, WHO ARE ENROLLED AT THE REGIONAL COMMUNITY COLLEGE AND ARE RESIDENTS OF THE COUNTY BY THE TOTAL NUMBER OF FULL-TIME EQUIVALENT STUDENTS, AS CALCULATED UNDER § 16-305(B)(7) OF THE EDUCATION ARTICLE FOR THE SECOND PRIOR FISCAL YEAR, WHO ARE RESIDENTS OF THE REGION.

4. THE DIFFERENCE BETWEEN THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES OF EACH COUNTY AND THE LOCAL COMMUNITY COLLEGE SHARE OF THE TOTAL

(Over)

EMPLOYER CONTRIBUTIONS FOR LOCAL COMMUNITY COLLEGE EMPLOYEES OF EACH COUNTY SHALL BE THE OBLIGATION OF THE STATE.

(ii) 1. THIS SUBPARAGRAPH DOES NOT APPLY TO ANY COUNTY WHOSE LOCAL MEDIAN LIBRARIAN EMPLOYEE SALARY IS LESS THAN THE STATEWIDE MEDIAN LOCAL LIBRARIAN EMPLOYEE SALARY.

2. BEGINNING JULY 1, 2013, ON BEHALF OF THE LOCAL LIBRARIAN EMPLOYEES OF EACH COUNTY, EACH COUNTY SHALL PAY EACH FISCAL YEAR TO THE APPROPRIATE ACCUMULATION FUND AN AMOUNT EQUAL TO OR GREATER THAN THE LOCAL LIBRARIAN SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES.

3. THE DIFFERENCE BETWEEN THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES OF EACH COUNTY AND THE LOCAL LIBRARIAN SHARE OF THE TOTAL EMPLOYER CONTRIBUTIONS FOR LOCAL LIBRARIAN EMPLOYEES OF EACH COUNTY SHALL BE THE OBLIGATION OF THE STATE.

(iii) 1. THIS SUBPARAGRAPH DOES NOT APPLY TO ANY COUNTY WHOSE LOCAL MEDIAN TEACHER EMPLOYEE SALARY IS LESS THAN THE STATEWIDE MEDIAN LOCAL TEACHER EMPLOYEE SALARY.

2. BEGINNING JULY 1, 2013, ON BEHALF OF THE LOCAL TEACHER EMPLOYEES OF EACH COUNTY, EACH COUNTY SHALL PAY EACH FISCAL YEAR TO THE APPROPRIATE ACCUMULATION FUND AN AMOUNT EQUAL TO OR GREATER THAN THE LOCAL TEACHER SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES.

3. THE DIFFERENCE BETWEEN THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES OF EACH COUNTY AND THE LOCAL TEACHER SHARE OF THE TOTAL EMPLOYER CONTRIBUTIONS FOR LOCAL TEACHER EMPLOYEES OF EACH COUNTY SHALL BE THE OBLIGATION OF THE STATE.

(2) IN ADDITION TO ANY PAYMENTS MADE BY THE STATE UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE STATE SHALL PAY 100% OF THE AMOUNT DETERMINED UNDER SUBSECTION (B) OF THIS SECTION FOR THOSE MEMBERS OF THE TEACHERS' RETIREMENT SYSTEM OR TEACHERS' PENSION SYSTEM WHO ARE:

(I) FACULTY, PROFESSIONAL, OR CLERICAL EMPLOYEES OF BALTIMORE CITY COMMUNITY COLLEGE;

(II) FACULTY EMPLOYEES OF AN EDUCATIONAL INSTITUTION, OTHER THAN A COMMUNITY COLLEGE, SUPPORTED BY AND UNDER THE CONTROL OF THE STATE;

(III) STAFF EMPLOYEES OF THE UNIVERSITY SYSTEM OF MARYLAND, MORGAN STATE UNIVERSITY, OR ST. MARY'S COLLEGE OF MARYLAND WHO WERE MEMBERS OF THE TEACHERS' PENSION SYSTEM AS OF JANUARY 1, 1998, OR WHO TRANSFERRED FROM THE TEACHERS' RETIREMENT SYSTEM ON OR AFTER JANUARY 1, 1998;

(IV) LOCAL COMMUNITY COLLEGE EMPLOYEES OF A COUNTY WHOSE LOCAL MEDIAN COMMUNITY COLLEGE EMPLOYEE SALARY IS LESS THAN THE STATEWIDE MEDIAN LOCAL COMMUNITY COLLEGE EMPLOYEE SALARY;

(Over)

(V) LOCAL LIBRARIAN EMPLOYEES OF A COUNTY WHOSE LOCAL MEDIAN LIBRARIAN EMPLOYEE SALARY IS LESS THAN THE STATEWIDE MEDIAN LOCAL LIBRARIAN EMPLOYEE SALARY; OR

(VI) LOCAL TEACHER EMPLOYEES OF A COUNTY WHOSE LOCAL MEDIAN TEACHER EMPLOYEE SALARY IS LESS THAN THE STATEWIDE MEDIAN LOCAL TEACHER EMPLOYEE SALARY.

~~[(c)] (D)~~ (1) As part of each actuarial valuation, the actuary shall determine the normal contributions, net of member contributions, on account of the State members of each State system.

(2) For each State system, the normal contribution rate equals the fraction that has:

(i) as its numerator, the sum of the normal contributions determined under this subsection; and

(ii) as its denominator, the aggregate annual earnable compensation of the State members of the State system.

~~[(d)] (E)~~ (1) Beginning July 1, 2001, each year the Board of Trustees shall set contribution rates for each State system that shall amortize:

(i) all unfunded liabilities or surpluses accrued as of June 30, 2000, over 20 years; and

(ii) any new unfunded liabilities or surpluses that have accrued from July 1 of the preceding fiscal year over 25 years to reflect:

1. experience gains and losses;

2. the effect of changes in actuarial assumptions; and
3. the effect of legislation effective on or after July 1, 2001.

(2) If the accrued liability is increased by legislation that provides for early retirement of State employees, the additional liability shall be funded over a period of 5 years beginning on:

- (i) July 1, 1997 for legislation effective June 1, 1996; and
- (ii) July 1, 1998 for legislation effective June 1, 1997.

(3) If the accrued liability is increased by legislation effective June 1, 1998, that provides for the early retirement of employees of the University System of Maryland who are members of the Employees' Pension System or the Employees' Retirement System, the additional liability shall be determined by the actuary and funded over a period of 5 years beginning on July 1, 1999 by payment of an annual accrued liability contribution by the University System of Maryland and the Medical System as provided in § 21-307(h) and (i) of this subtitle.

[(e)] (F) (1) When the funding ratio for the employees' systems is between 90% and 110%, inclusive, the employees' system contribution rate is the rate for the previous fiscal year, adjusted to reflect legislative changes that result in changes in normal cost and to amortize over 25 years any actuarial liabilities of the employees' systems.

(2) Subject to paragraph (4) of this subsection, when the funding ratio for the employees' systems is below 90%, the employees' system contribution rate shall be the sum of:

(Over)

(i) the employees' system contribution rate for the previous fiscal year; and

(ii) 20% of the difference between the preliminary funding rate for the current fiscal year and the employees' system contribution rate for the previous fiscal year.

(3) Subject to paragraph (4) of this subsection, when the funding ratio for the employees' systems is above 110%, the employees' system contribution rate shall be the difference between:

(i) the employees' system contribution rate for the previous fiscal year; and

(ii) 20% of the difference between the employees' system contribution rate for the previous fiscal year and the preliminary funding rate for the current fiscal year.

(4) The contribution rate for the employees' systems under paragraph (2) or (3) of this subsection shall be adjusted to reflect the cost or savings of legislative changes that result in changes in normal contributions or accrued liabilities and to amortize over 25 years any changes in accrued liabilities of the employees' systems.

[(f)] (G) (1) When the funding ratio for the teachers' systems is between 90% and 110%, the teachers' system contribution rate is the rate for the previous fiscal year, adjusted to reflect legislative changes that result in changes in normal cost and to amortize over 25 years any actuarial liabilities of the teachers' systems.

(2) Subject to paragraph (4) of this subsection, when the funding ratio for the teachers' systems is below 90%, the teachers' system contribution rate shall be the sum of:

(i) the teachers' system contribution rate for the previous fiscal year; and

(ii) 20% of the difference between the preliminary funding rate for the current fiscal year and the teachers' system contribution rate for the previous fiscal year.

(3) Subject to paragraph (4) of this subsection, when the funding ratio for the teachers' systems is above 110%, the teachers' system contribution rate shall be the difference between:

(i) the teachers' system contribution rate for the previous fiscal year; and

(ii) 20% of the difference between the teachers' system contribution rate for the previous fiscal year and the preliminary funding rate for the current fiscal year.

(4) The contribution rate for the teachers' systems under paragraph (2) or (3) of this subsection shall be adjusted to reflect the cost or savings of legislative changes that result in changes in normal contributions or accrued liabilities and to amortize over 25 years any changes in accrued liabilities of the teachers' systems.

21-308.

(a) **(1) ON OR BEFORE APRIL 1 OF EACH YEAR, THE STATE BOARD OF EDUCATION SHALL CERTIFY TO THE BOARD OF TRUSTEES THE FOLLOWING INFORMATION:**

(I) THE TOTAL NUMBER OF LOCAL LIBRARIAN EMPLOYEES AND LOCAL TEACHER EMPLOYEES; AND

(Over)

(II) THE NUMBER OF LOCAL LIBRARIAN EMPLOYEES AND LOCAL TEACHER EMPLOYEES DISAGGREGATED BY COUNTY OF EMPLOYMENT.

(2) ON OR BEFORE APRIL 1 OF EACH YEAR, THE MARYLAND HIGHER EDUCATION COMMISSION SHALL CERTIFY TO THE BOARD OF TRUSTEES THE FOLLOWING INFORMATION:

(I) THE TOTAL NUMBER OF LOCAL COMMUNITY COLLEGE EMPLOYEES; AND

(II) THE NUMBER OF LOCAL COMMUNITY COLLEGE EMPLOYEES DISAGGREGATED BY COUNTY OF EMPLOYMENT.

(3) THE BOARD OF TRUSTEES SHALL USE THE INFORMATION PROVIDED IN PARAGRAPHS (1) AND (2) OF THIS SUBSECTION TO DETERMINE:

(I) THE LOCAL COMMUNITY COLLEGE SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES;

(II) THE LOCAL LIBRARIAN SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES; AND

(III) THE LOCAL TEACHER SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES.

[(1)] (4) On or before December 1 of each year, the Board of Trustees shall:

(i) certify to the Governor and the Secretary of Budget and Management the rates to be used to determine the amounts to be paid by the State to the accumulation fund of each of the several systems during the next fiscal year; and

(ii) provide to the Secretary of Budget and Management a statement of the total amount to be paid to the Teachers' Retirement System and the Teachers' Pension System expressed as a percentage of the payroll of all members of those State systems **REDUCED BY THE AMOUNT OF THE FOLLOWING PAID BY COUNTY GOVERNMENTS UNDER § 21-304(C) OF THIS SUBTITLE:**

1. THE LOCAL COMMUNITY COLLEGE SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES;

2. THE LOCAL LIBRARIAN SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES; AND

3. THE LOCAL TEACHER SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES.

[(2)] (5) The Governor shall include in the budget bill:

(i) the total amount of the State's contribution to each State system as ascertained based on the rates certified by the Board of Trustees under paragraph **[(1)] (4)** of this subsection;

(ii) the additional amounts as ascertained under subsection (d) of this section for the State's payment to the professional and clerical employees of the Department of Public Libraries of Montgomery County who are members of the Employees' Retirement System of Montgomery County and are excluded from

(Over)

membership in the Teachers' Retirement System or the Teachers' Pension System;
and

(iii) any additional amount required to be in the budget bill under § 3-501(c)(2)(ii) of this article.

[(3)] (6) The amounts that the Governor is required to include in the budget bill under paragraph [(2)] (5) of this subsection shall be reduced by the amount of administrative and operational expenses for the Board of Trustees and the State Retirement Agency that are to be paid by local employers under § 21-316 of this subtitle other than participating governmental units or employers who are required to make contributions under § 21-307 of this subtitle.

[(4)] (7) (i) On or before December 1, 2012, and each December 1 thereafter, the Board of Trustees shall certify to the Governor and the Secretary of Budget and Management the amount of the difference between the total amount of the State's contribution required under paragraph [(2)] (5) of this subsection and the amount that the Board determines would have been required had legislation increasing employee contributions to, and reducing the liabilities of, the State Retirement and Pension System not been enacted in 2011.

(ii) For fiscal year 2014 and each fiscal year thereafter, in addition to the amounts required under paragraph [(2)] (5) of this subsection, the Governor shall include in the budget bill the lesser of:

1. \$300,000,000; and
2. the amount certified under subparagraph (i) of this paragraph.

(b) (1) (i) As to members of the several systems whose compensation is paid by the State, the Comptroller shall compute the amounts to be charged to the appropriation of each unit as the unit's share of retirement costs for its employees.

(ii) The Comptroller shall make the computation under subparagraph (i) of this paragraph using the total rates of contributions as set by the actuary under § 21-304 of this subtitle.

(2) As to members of the Teachers' Retirement System or the Teachers' Pension System whose compensation is not paid by the State, on September 30, December 31, May 31, and April 15 of each year, the State Department of Education and the Maryland Higher Education Commission shall certify to the Comptroller 25% of the amount appropriated in the budget of those units for employer contributions **REDUCED BY THE AMOUNT OF THE FOLLOWING PAID BY COUNTY GOVERNMENTS UNDER § 21-304(C) OF THIS SUBTITLE:**

(I) THE LOCAL COMMUNITY COLLEGE SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL COMMUNITY COLLEGE EMPLOYEES;

(II) THE LOCAL LIBRARIAN SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL LIBRARIAN EMPLOYEES; AND

(III) THE LOCAL TEACHER SHARE OF THE TOTAL EMPLOYER CONTRIBUTION FOR LOCAL TEACHER EMPLOYEES.

(c) (1) As payrolls are paid, the Comptroller shall issue a warrant or warrants to the State Treasurer in the amounts to be charged under subsection (b)(1) of this section against the budgets of the units.

(2) On or before October 1, January 1, June 1, and April 16 of each year, the Comptroller shall issue a warrant or warrants to the State Treasurer for the amounts certified to the Comptroller under subsection (b)(2) of this section.

(3) On the receipt of the warrant of the Comptroller, the State Treasurer immediately shall transfer to the appropriate State system the amounts due.

(d) (1) (i) The State Superintendent of Schools shall determine the amount that equals the applicable percentage as determined under subparagraph (ii) of this paragraph of the payroll of the professional and clerical employees of the Department of Public Libraries of Montgomery County who are members of the Employees' Retirement System of Montgomery County and are excluded from membership in the Teachers' Retirement System or the Teachers' Pension System.

(ii) The applicable percentage under subparagraph (i) of this paragraph is the lesser of:

1. the State's contribution percentage for the Teachers' Retirement System and the Teachers' Pension System, as certified by the Board of Trustees; or

2. the percentage of the payroll of its employees that Montgomery County has contributed to the Employees' Retirement System of Montgomery County, as determined by an actuarial valuation.

(2) The amount determined under paragraph (1) of this subsection shall be:

(i) included in the budget estimate for the Superintendent of Schools;

(ii) certified by the State Superintendent of Schools to the State Comptroller; and

(iii) paid to Montgomery County as provided in this subsection.

(3) The Comptroller shall issue a warrant or warrants to the State Treasurer for the amount to be paid Montgomery County under this subsection.

(4) On the receipt of the warrant of the Comptroller, the State Treasurer shall pay to the treasurer of Montgomery County the amount due.

(e) For each nonclerical and nonprofessional former Community College of Baltimore employee who chose to remain a member of the Baltimore City Retirement Plan, the State shall contribute annually to the Baltimore City Retirement Plan on behalf of the employee an amount equal to the lesser of the contribution the State would otherwise have made on behalf of each employee of the State to the Employees' Pension System or the rate required for the Baltimore City Retirement Plan.

21-309.1.

(A) ON OR BEFORE JUNE 1 OF EACH YEAR, THE BOARD OF TRUSTEES SHALL CERTIFY TO EACH COUNTY THE STATE'S NORMAL CONTRIBUTION RATE AND THE STATE'S ACCRUED LIABILITY CONTRIBUTION RATE AND THE AMOUNTS PAYABLE UNDER § 21-304(C) OF THIS SUBTITLE.

(B) (1) ON SEPTEMBER 30, DECEMBER 31, APRIL 15, AND MAY 31, EACH COUNTY SHALL PAY TO THE BOARD OF TRUSTEES 25% OF THE AMOUNT OF THE CHARGES CERTIFIED TO THE COUNTY BY THE BOARD OF TRUSTEES UNDER SUBSECTION (A) OF THIS SECTION.

(2) IF A COUNTY DOES NOT PAY THE AMOUNTS CERTIFIED UNDER THIS SECTION WITHIN THE TIME REQUIRED, THE COUNTY IS LIABLE FOR:

(I) A PENALTY OF 10% OF THE AMOUNT DUE; AND

(II) INTEREST ON DELINQUENT AMOUNTS AT 10% A YEAR UNTIL PAYMENT.

(3) THE SECRETARY OF THE BOARD OF TRUSTEES MAY ALLOW A GRACE PERIOD FOR PAYMENT OF THE AMOUNTS CERTIFIED UNDER THIS SECTION NOT TO EXCEED 10 CALENDAR DAYS.

(4) ON NOTIFICATION BY THE SECRETARY OF THE BOARD OF TRUSTEES THAT A DELINQUENCY EXISTS, THE COMPTROLLER IMMEDIATELY SHALL EXERCISE THE RIGHT OF SETOFF AGAINST ANY MONEY DUE OR COMING DUE TO THAT COUNTY FROM THE STATE.

(C) ON RECEIPT OF THE PAYMENTS FROM EACH COUNTY, THE BOARD OF TRUSTEES SHALL CREDIT THESE AMOUNTS TO THE ACCUMULATION FUND OF THE APPROPRIATE STATE SYSTEM.”.