

SB0335/454068/1

BY: Appropriations Committee

AMENDMENTS TO SENATE BILL 335
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “System -” insert “Compensation.”; in the same line, strike “for New Members” and substitute “, and Vesting Requirements”; in line 3, after the first “of” insert “altering the process under which the salary recommendations of the Judicial Compensation Commission go into effect;”; strike beginning with “individuals” in line 3 down through “become” in line 4; in line 4, strike “on or after a certain date”; strike beginning with “altering” in line 5 down through “Act;” in line 7 and substitute “requiring individuals who become members of the Judges’ Retirement System on or after a certain date to earn a certain amount of eligibility service before becoming eligible to receive certain retirement allowances; altering the calculation of a normal service retirement allowance for certain members in the Judges’ Retirement System;”; after line 7, insert:

“BY repealing and reenacting, with amendments,

Article - Courts and Judicial Proceedings

Section 1-708

Annotated Code of Maryland

(2006 Replacement Volume and 2011 Supplement)”;

in line 10, after “27-202” insert “, 27-401, and 27-402(c)”; strike in their entirety lines 13 through 18, inclusive; and after line 18, insert:

“BY repealing

Article - State Personnel and Pensions

Section 29-301

Annotated Code of Maryland

(2009 Replacement Volume and 2011 Supplement)”

(Over)

BY adding to

Article – State Personnel and Pensions
Section 29-301
Annotated Code of Maryland
(2009 Replacement Volume and 2011 Supplement)”.

AMENDMENT NO. 2

On page 1, after line 20, insert:

“Article – Courts and Judicial Proceedings

1–708.

(a) The salaries and pensions of the judges of the Court of Appeals, the Court of Special Appeals, the circuit courts of the counties, and the District Court shall be established as provided by this section, §§ 1–701 through 1–707 of this subtitle, and Title 27 of the State Personnel and Pensions Article.

(b) (1) There is a Judicial Compensation Commission. The Commission shall study and make recommendations with respect to all aspects of judicial compensation, to the end that the judicial compensation structure shall be adequate to assure that highly qualified persons will be attracted to the bench and will continue to serve there without unreasonable economic hardship.

(2) The Commission consists of seven members appointed by the Governor. No more than three members of the Commission may be individuals admitted to practice law in this State. In nominating and appointing members, special consideration shall be given to individuals who have knowledge of compensation practices and financial matters. The Governor shall appoint:

(i) Two members from a list of the names of at least five nominees submitted by the President of the Senate;

(ii) Two from a list of the names of at least five nominees submitted by the Speaker of the House of Delegates;

(iii) One from a list of the names of at least three nominees submitted by the Maryland State Bar Association, Inc.; and

(iv) Two at large.

(3) A member of the General Assembly, officer or employee of the State or a political subdivision of the State, or judge or former judge is not eligible for appointment to the Commission.

(4) The term of a member is 6 years, commencing July 1, 1980, and until the member's successor is appointed. However, of the members first appointed to the Commission, the Governor shall designate one of the members nominated by the President of the Senate to serve for 3 years and one for 6 years; one of the members nominated by the Speaker to serve for 4 years and one for 5 years; the member nominated by the Maryland State Bar Association, Inc., to serve for 3 years; and one of the members at large to serve for 2 years, and one for 6 years. A member is eligible for reappointment.

(5) Members of the Commission serve without compensation, but shall be reimbursed for reasonable expenses incurred in carrying out their responsibilities under this section.

(6) The members of the Commission shall elect a member as chairman of the Commission.

(7) The concurrence of at least five members is required for any formal Commission action.

(8) The Commission may request and receive assistance and information from any unit of State government.

(c) On or after September 1, 2011, September 1, 2013, and every 4 years thereafter, the Commission shall review the salaries and pensions of the judges of the courts listed in subsection (a) of this section and make written recommendations to the Governor and General Assembly on or before the next ensuing regular session of the General Assembly. The Governor shall include in the budget for the next ensuing fiscal year the funding necessary to implement those recommendations, contingent on action by the General Assembly under subsections (d) and (e) of this section.

(d) (1) The salary recommendations made by the Commission shall be introduced as a joint resolution in each House of the General Assembly not later than the fifteenth day of the session. The General Assembly may amend the joint resolution to decrease any of the Commission salary recommendations, but no reduction may diminish the salary of a judge during his continuance in office. The General Assembly may not amend the joint resolution to increase the recommended salaries. [If the General Assembly fails to adopt or amend the joint resolution within 50 days after its introduction, the salaries recommended by the Commission shall apply. If the joint resolution is adopted or amended in accordance with this section within 50 days after its introduction, the salaries so provided shall apply.] **THE JOINT RESOLUTION SHALL BECOME EFFECTIVE ONLY IF PASSED BY THE GENERAL ASSEMBLY.** If the General Assembly [rejects] **FAILS TO ADOPT OR AMEND** any or all of the Commission's salary recommendations **CONTAINED IN THE JOINT RESOLUTION**, the salaries of the judges affected remain unchanged, unless modified under other provisions of law.

(2) The Governor or the General Assembly may not increase the recommended salaries, except as provided under § 1-703(b) of this subtitle.

(e) The recommendation of the Commission as to pensions shall be introduced by the presiding officers of the Senate and the House of Delegates in the form of legislation, and shall become effective only if passed by both Houses.

(f) Any change in salaries or pensions adopted by the General Assembly under this section takes effect as of the July 1 of the year next following the year in which the Commission makes its recommendations.

(g) This section does not affect § 1-702(b), § 1-703(b), or §§ 1-705 through 1-707 of this subtitle, or Title 27 of the State Personnel and Pensions Article.”.

AMENDMENT NO. 3

On page 2, in line 3, strike the brackets; in the same line, strike “SUBSECTIONS (B) AND (C)”; in line 4, strike “6%” and substitute “8%”; and strike beginning with “THE” in line 5 down through “(C)” in line 8.

AMENDMENT NO. 4

On page 2, strike in their entirety lines 10 through 22, inclusive, and substitute:
“27-401.

(A) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO IS A MEMBER OF THE JUDGES’ RETIREMENT SYSTEM ON OR BEFORE JUNE 30, 2012.

(2) A member or former member is entitled to a retirement allowance:

[(1)] (1) on termination of service, if the member is at least 60 years old;

[(2)] (II) on the recommendation of the medical board, if the member or former member resigns because of disability;

[(3)] (III) when retired by order of the Court of Appeals; or

[(4)] (IV) at the age of 60 years, if the former member's termination of service occurred earlier.

(B) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO BECOMES A MEMBER OF THE JUDGES' RETIREMENT SYSTEM ON OR AFTER JULY 1, 2012.

(2) A MEMBER OR FORMER MEMBER IS ENTITLED TO A RETIREMENT ALLOWANCE:

(I) ON TERMINATION OF SERVICE, IF THE MEMBER IS AT LEAST 60 YEARS OLD AND HAS AT LEAST 5 YEARS OF ELIGIBILITY SERVICE;

(II) ON THE RECOMMENDATION OF THE MEDICAL BOARD, IF THE MEMBER OR FORMER MEMBER RESIGNS BECAUSE OF DISABILITY;

(III) WHEN RETIRED BY ORDER OF THE COURT OF APPEALS;

OR

(IV) AT THE AGE OF 60 YEARS, IF THE FORMER MEMBER'S TERMINATION OF SERVICE OCCURRED EARLIER AND THE FORMER MEMBER HAD AT LEAST 5 YEARS OF ELIGIBILITY SERVICE WHEN THE FORMER MEMBER TERMINATED SERVICE.

(c) (1) (I) THIS PARAGRAPH APPLIES ONLY TO AN INDIVIDUAL WHO IS A MEMBER OF THE JUDGES' RETIREMENT SYSTEM ON OR BEFORE JUNE 30, 2012.

(II) On retirement under this subtitle by a retiree who has less than 16 years of service credit as a member, the retiree is entitled to a reduced retirement allowance that equals the retirement allowance computed under subsection (a) or (b) of this section multiplied by a fraction that has:

[(1)] 1. for its numerator, the number of years of service credit as a member; and

[(2)] 2. for its denominator, 16.

(2) (I) THIS PARAGRAPH APPLIES ONLY TO AN INDIVIDUAL WHO BECOMES A MEMBER OF THE JUDGES' RETIREMENT SYSTEM ON OR AFTER JULY 1, 2012.

(II) ON RETIREMENT UNDER THIS SUBTITLE BY A RETIREE WHO HAS AT LEAST 5 YEARS BUT LESS THAN 16 YEARS OF SERVICE CREDIT AS A MEMBER, THE RETIREE IS ENTITLED TO A REDUCED RETIREMENT ALLOWANCE THAT EQUALS THE RETIREMENT ALLOWANCE COMPUTED UNDER SUBSECTION (A) OR (B) OF THIS SECTION MULTIPLIED BY A FRACTION THAT HAS:

1. FOR ITS NUMERATOR, THE NUMBER OF YEARS OF SERVICE CREDIT AS A MEMBER; AND

2. FOR ITS DENOMINATOR, 16.

(Over)

[29-301.

This subtitle does not apply to the Judges' Retirement System.]

29-301.

(A) THIS SECTION APPLIES ONLY TO A MEMBERS OF THE JUDGES' RETIREMENT SYSTEM WHO BECOMES A MEMBER ON OR AFTER JULY 1, 2012.

(B) (1) A MEMBER MAY ELECT TO RECEIVE A VESTED ALLOWANCE IF:

(I) THE MEMBER IS SEPARATED FROM EMPLOYMENT OTHER THAN BY DEATH OR RETIREMENT; AND

(II) THE MEMBER HAS AT LEAST 5 YEARS OF ELIGIBILITY SERVICE.

(2) A MEMBER IS DEEMED TO HAVE ELECTED A VESTED ALLOWANCE, UNLESS THE MEMBER REQUESTS THE RETURN OF THE ACCUMULATED CONTRIBUTIONS BEFORE MEMBERSHIP ENDS.

(C) A VESTED ALLOWANCE IS A DEFERRED ALLOWANCE STARTING AT AGE 60.

(D) A VESTED ALLOWANCE:

(1) IS COMPUTED AS A RETIREMENT ALLOWANCE UNDER § 27-402 OF THIS ARTICLE ON THE BASIS OF THE FORMER MEMBER'S CREDITABLE SERVICE AT THE TIME OF SEPARATION FROM EMPLOYMENT; AND

(2) MAY BE PAID IN ONE OF THE OPTIONAL FORMS OF ALLOWANCES UNDER § 21-403 OF THIS ARTICLE, IF AT RETIREMENT, THE MEMBER DOES NOT HAVE A SPOUSE OR CHILD UNDER THE AGE OF 18.

(E) (1) IF A FORMER MEMBER WHO ELECTED A VESTED ALLOWANCE REQUESTS THE RETURN OF ACCUMULATED CONTRIBUTIONS BEFORE PAYMENT OF THE VESTED ALLOWANCE BEGINS, THE BOARD OF TRUSTEES SHALL RETURN THE ACCUMULATED CONTRIBUTIONS TO THE FORMER MEMBER.

(2) WHEN ACCUMULATED CONTRIBUTIONS ARE RETURNED TO A FORMER MEMBER, THE FORMER MEMBER IS NOT ENTITLED TO FURTHER BENEFITS ON ACCOUNT OF THE FORMER MEMBER'S PREVIOUS MEMBERSHIP."

AMENDMENT NO. 5

On page 2, in line 23, strike "4." and substitute "2."; and strike beginning with the second comma in line 23 down through "Act." in line 24.