

# SENATE BILL 672

K4, P4

2lr1361  
CF 2lr1360

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By: **Senator Jones–Rodwell (Chair, Joint Committee on Pensions)**

Introduced and read first time: February 3, 2012

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Investment Division – Salary Setting**

3 FOR the purpose of authorizing the Board of Trustees of the State Retirement and  
4 Pension System to determine the qualifications, appointment, and  
5 compensation for certain employees in the Investment Division of the State  
6 Retirement Agency; specifying the positions to which the authority applies;  
7 prohibiting the Board of Trustees from setting the salary of an employee above  
8 a certain amount; prohibiting the Board of Trustees from granting bonuses  
9 under certain authority; prohibiting the Board of Trustees from increasing the  
10 salary of certain employees by more than a certain amount in a fiscal year;  
11 requiring the State Retirement Agency to submit a certain report concerning  
12 salaries in the Investment Division; providing for the termination of this Act;  
13 and generally relating to the State Retirement Agency.

14 BY repealing and reenacting, with amendments,  
15 Article – State Personnel and Pensions  
16 Section 21–122(a)  
17 Annotated Code of Maryland  
18 (2009 Replacement Volume and 2011 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – State Personnel and Pensions**

22 21–122.

23 (a) **(1)** There is an Investment Division in the State Retirement Agency.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**  
2 **BOARD OF TRUSTEES SHALL DETERMINE THE QUALIFICATIONS AND**  
3 **COMPENSATION FOR THE FOLLOWING POSITIONS WITHIN THE INVESTMENT**  
4 **DIVISION:**

5                   **(I) DEPUTY CHIEF INVESTMENT OFFICER; AND**

6                   **(II) MANAGING DIRECTOR.**

7           **(3) THE BOARD OF TRUSTEES MAY NOT:**

8                   **(I) SET OR INCREASE THE SALARY FOR THE DEPUTY CHIEF**  
9 **INVESTMENT OFFICER AT AN AMOUNT GREATER THAN THE MAXIMUM SALARY**  
10 **UNDER THE ES10 SCALE OF THE MARYLAND EXECUTIVE PAY PLAN;**

11                   **(II) SET OR INCREASE THE SALARY FOR A MANAGING**  
12 **DIRECTOR AT AN AMOUNT GREATER THAN THE MAXIMUM SALARY UNDER THE**  
13 **ES8 SCALE OF THE MARYLAND EXECUTIVE PAY PLAN;**

14                   **(III) PROVIDE BONUSES FOR AN EMPLOYEE; OR**

15                   **(IV) SUBJECT TO THE LIMITATIONS UNDER ITEMS (I) AND**  
16 **(II) OF THIS PARAGRAPH, SET OR INCREASE THE SALARY FOR A POSITION THAT**  
17 **PROVIDES MORE THAN A 10% INCREASE OVER THE LOWEST SALARY FOR THE**  
18 **POSITION IN THE PRIOR FISCAL YEAR.**

19           SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,  
20 2012, and each October 1 thereafter, the Maryland State Retirement Agency shall  
21 report to the Senate Budget and Taxation Committee, the House Appropriations  
22 Committee, and the Joint Committee on Pensions, in accordance with § 2-1246 of the  
23 State Government Article, on the salaries and any increases to salaries in the  
24 Investment Division of the State Retirement Agency.

25           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 July 1, 2012. It shall remain effective for a period of 3 years and, at the end of June 30,  
27 2015, with no further action required by the General Assembly, this Act shall be  
28 abrogated and of no further force and effect.