

SENATE BILL 674

K4

3lr1438

By: **Senators Edwards and Mathias**

Introduced and read first time: February 1, 2013

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Employees' Pension System – Elected or Appointed Officials – Optional**
3 **Membership**

4 FOR the purpose of providing that certain elected or appointed officials whose
5 employers are participating employers of the State Retirement and Pension
6 System may elect to join the Employees' Pension System within a certain period
7 of time; providing that certain elected or appointed officials whose employers
8 are participating employers of the State Retirement and Pension System may
9 elect to cease membership in the Employees' Pension System within a certain
10 period of time; requiring certain elected or appointed officials who make an
11 election to join or an election to cease membership to complete a certain form
12 and file it with the Board of Trustees for the State Retirement and Pension
13 System; providing that certain elected or appointed officials who do not make an
14 election to join within a certain period of time may not join the Employees'
15 Pension System; providing that certain elected or appointed officials who do not
16 make an election to cease membership within a certain period of time remain
17 members in the Employees' Pension System; requiring the Board of Trustees to
18 adopt certain regulations; defining a certain term; and generally relating to
19 optional membership for elected or appointed officials in the Employees' Pension
20 System.

21 BY adding to

22 Article – State Personnel and Pensions

23 Section 23–204.1

24 Annotated Code of Maryland

25 (2009 Replacement Volume and 2012 Supplement)

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

28 **Article – State Personnel and Pensions**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **23-204.1.**

2 (A) IN THIS SECTION, "ELECTED OR APPOINTED OFFICIAL" MEANS AN
3 INDIVIDUAL EMPLOYED BY A PARTICIPATING EMPLOYER AS:

4 (1) A STATE'S ATTORNEY;

5 (2) A SHERIFF, OTHER THAN THE BALTIMORE CITY SHERIFF;

6 (3) AN ELECTED OFFICIAL OF A COUNTY OR MUNICIPAL
7 CORPORATION;

8 (4) AN ORPHANS' COURT JUDGE FOR A COUNTY THAT IS NOT
9 REQUIRED TO PAY A PENSION UNDER § 2-108(Y) OF THE ESTATES AND TRUSTS
10 ARTICLE;

11 (5) A MEMBER OF A BOARD THAT REGULATES GAMING UNDER
12 TITLE 13 OF THE CRIMINAL LAW ARTICLE; OR

13 (6) A MEMBER OF A LOCAL LICENSING BOARD AS DEFINED IN
14 ARTICLE 2B, § 1-101 OF THE CODE.

15 (B) (1) (I) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS
16 OPTIONAL FOR AN INDIVIDUAL WHO:

17 1. IS SERVING AS AN ELECTED OR APPOINTED
18 OFFICIAL ON OR AFTER JULY 1, 2011;

19 2. REMAINS IN THE SAME ELECTED OR APPOINTED
20 POSITION ON JULY 1, 2013; AND

21 3. IS NOT ENROLLED IN THE EMPLOYEES' PENSION
22 SYSTEM.

23 (II) AN INDIVIDUAL UNDER SUBPARAGRAPH (I) OF THIS
24 PARAGRAPH WHO ELECTS TO JOIN THE EMPLOYEES' PENSION SYSTEM MUST
25 MAKE THE ELECTION IN WRITING ON A FORM PROVIDED BY THE BOARD OF
26 TRUSTEES AND MUST FILE THE FORM WITH THE BOARD OF TRUSTEES ON OR
27 BEFORE SEPTEMBER 30, 2013.

28 (III) AN INDIVIDUAL WHO DOES NOT ELECT TO JOIN THE
29 EMPLOYEES' PENSION SYSTEM AS PROVIDED UNDER SUBPARAGRAPH (II) IF

1 THIS PARAGRAPH MAY NOT JOIN THE EMPLOYEES' PENSION SYSTEM AS AN
2 ELECTED OR APPOINTED OFFICIAL WHILE SERVING IN THE SAME ELECTED OR
3 APPOINTED POSITION.

4 (2) (I) MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM IS
5 OPTIONAL FOR AN INDIVIDUAL WHO:

6 1. BEGINS SERVING AS AN ELECTED OR APPOINTED
7 OFFICIAL ON OR AFTER JULY 1, 2013; OR

8 2. A. WAS SERVING AS AN ELECTED OR
9 APPOINTED OFFICIAL ON OR AFTER JULY 1, 2011;

10 B. BEGINS SERVING AS AN ELECTED OR APPOINTED
11 OFFICIAL IN A DIFFERENT POSITION ON OR AFTER JULY 1, 2013; AND

12 C. IS NOT ENROLLED IN THE EMPLOYEES' PENSION
13 SYSTEM.

14 (II) AN INDIVIDUAL UNDER SUBPARAGRAPH (I) OF THIS
15 PARAGRAPH WHO ELECTS TO JOIN THE EMPLOYEES' PENSION SYSTEM MUST
16 MAKE THE ELECTION IN WRITING ON A FORM PROVIDED BY THE BOARD OF
17 TRUSTEES AND MUST FILE THE FORM WITH THE BOARD OF TRUSTEES WITHIN 3
18 MONTHS OF BECOMING AN ELECTED OR APPOINTED OFFICIAL IN A NEW OR
19 DIFFERENT POSITION ON OR AFTER JULY 1, 2013.

20 (III) AN INDIVIDUAL WHO DOES NOT ELECT TO JOIN THE
21 EMPLOYEES' PENSION SYSTEM AS PROVIDED UNDER SUBPARAGRAPH (II) OF
22 THIS PARAGRAPH MAY NOT JOIN THE EMPLOYEES' PENSION SYSTEM AS AN
23 ELECTED OR APPOINTED OFFICIAL WHILE SERVING IN THAT ELECTED OR
24 APPOINTED POSITION.

25 (3) AN ELECTED OR APPOINTED OFFICIAL'S ELECTION UNDER
26 THIS SUBSECTION TO JOIN THE EMPLOYEES' PENSION SYSTEM IS A ONE-TIME,
27 IRREVOCABLE ELECTION.

28 (C) (1) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO:

29 (I) IS AN ELECTED OR APPOINTED OFFICIAL ON OR AFTER
30 JULY 1, 2011, AND REMAINS AN ELECTED OR APPOINTED OFFICIAL ON JULY 1,
31 2013; AND

32 (II) IS A MEMBER OF THE EMPLOYEES' PENSION SYSTEM.

1 **(2) AN ELECTED OR APPOINTED OFFICIAL UNDER PARAGRAPH**
2 **(1) OF THIS SUBSECTION MAY ELECT TO CEASE BEING A MEMBER IN THE**
3 **EMPLOYEES' PENSION SYSTEM AT THE START OF THE OFFICIAL'S NEW TERM OF**
4 **OFFICE.**

5 **(3) AN ELECTION TO TERMINATE MEMBERSHIP IN THE**
6 **EMPLOYEES' PENSION SYSTEM SHALL BE MADE IN WRITING ON A FORM**
7 **PROVIDED BY THE BOARD OF TRUSTEES AND FILED WITH THE BOARD OF**
8 **TRUSTEES PROMPTLY AFTER THE START OF THE OFFICIAL'S NEW TERM OF**
9 **OFFICE.**

10 **(4) AN ELECTED OR APPOINTED OFFICIAL'S ELECTION UNDER**
11 **THIS SUBSECTION TO TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION**
12 **SYSTEM IS A ONE-TIME, IRREVOCABLE ELECTION.**

13 **(5) AN ELECTED OR APPOINTED OFFICIAL WHO DOES NOT ELECT**
14 **TO TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM REMAINS A**
15 **MEMBER IN THE EMPLOYEES' PENSION SYSTEM.**

16 **(D) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO CARRY**
17 **OUT THIS SECTION.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2013.