

SENATE BILL 104

K4

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CF HB 79

By: **Senator Peters (Chair, Joint Committee on Pensions)**

Introduced and read first time: January 26, 2015

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 2015

CHAPTER _____

1 AN ACT concerning

2 **Correctional Officers' Retirement System – Membership and Eligibility for**
3 **Retirement**

4 FOR the purpose of altering the positions eligible for membership in the Correctional
5 Officers' Retirement System to include certain individuals who elect to transfer from
6 the Employees' Retirement System; clarifying that certain individuals who do not
7 elect to transfer are not members of the Correctional Officers' Retirement System;
8 altering certain eligibility requirements for a normal service retirement allowance
9 for members of the Correctional Officers' Retirement System; altering eligibility
10 requirements for a deferred vested retirement allowance for members of the
11 Correctional Officers' Retirement System; authorizing certain individuals to cease
12 membership in the Employees' Retirement System and enroll in the Correctional
13 Officers' Retirement System; authorizing certain individuals to transfer service
14 credit from the Employees' Retirement System to the Correctional Officers'
15 Retirement System; requiring an individual who elects to transfer membership and
16 service credit to the Correctional Officers' Retirement System to make that election
17 on a form provided by the Board of Trustees for the State Retirement and Pension
18 System; requiring service credit transferred to the Correctional Officers' Retirement
19 System under this Act to be transferred in accordance with certain provisions of law;
20 requiring the Executive Director of the State Retirement Agency to grant a certain
21 waiver if it is necessary to implement a certain transfer of service credit; providing
22 that certain provisions of law do not apply to certain individuals who transfer service
23 credit to the Correctional Officers' Retirement System in accordance with certain
24 provisions of law; providing for the termination of certain provisions of this Act; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 generally relating to membership and eligibility for retirement in the Correctional
2 Officers' Retirement System.

3 BY repealing and reenacting, with amendments,
4 Article – State Personnel and Pensions
5 Section ~~25–201, 25–401, and 29–302(c)~~
6 Annotated Code of Maryland
7 (2009 Replacement Volume and 2014 Supplement)

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

10 **Article – State Personnel and Pensions**

11 25–201.

12 (a) Except as provided in subsection (b) of this section, this subtitle applies only
13 to:

14 (1) correctional officers serving in any of the first six job classifications;

15 (2) security attendants at Clifton T. Perkins Hospital Center;

16 (3) a detention center officer employed by a participating governmental
17 unit that on or after July 1, 2006, has elected to participate in the Correctional Officers'
18 Retirement System;

19 (4) an individual serving as a correctional dietary, maintenance, laundry,
20 or supply officer;

21 (5) an individual serving as a Maryland Correctional Enterprises officer,
22 officer trainee, plant supervisor, plant manager, or regional manager; and

23 (6) a correctional officer serving as a security chief, a facility administrator,
24 an assistant warden, or a warden who:

25 (i) begins employment in that position on or after July 1, 2014; or

26 (ii) is serving in that position on June 30, 2014, and elects to transfer
27 to the Correctional Officers' Retirement System **FROM:**

28 **1. THE EMPLOYEES' PENSION SYSTEM** on or before
29 December 31, 2014; **OR**

30 **2. THE EMPLOYEES' RETIREMENT SYSTEM ON OR**
31 **BEFORE DECEMBER 31, 2015.**

1 (b) This subtitle does not apply to:

2 (1) an employee of the Baltimore City Jail as of June 30, 1991, who:

3 (i) became an employee of the Baltimore City Detention Center on
4 July 1, 1991; and

5 (ii) did not elect to become a member of the Correctional Officers'
6 Retirement System on that date;

7 (2) a detention center officer employed by a participating governmental
8 unit as a local detention center officer on the effective date of participation on or after July
9 1, 2006, who did not elect to become a member of the Correctional Officers' Retirement
10 System within 6 months of the effective date of participation; or

11 (3) a correctional officer serving as a security chief, a facility administrator,
12 an assistant warden, or a warden who is in that position on June 30, 2014, and does not
13 elect to transfer membership to the Correctional Officers' Retirement System **FROM:**

14 (I) **THE EMPLOYEES' PENSION SYSTEM** on or before December
15 31, 2014; OR

16 (II) **THE EMPLOYEES' RETIREMENT SYSTEM ON OR BEFORE**
17 **DECEMBER 31, 2015.**

18 25-401.

19 (a) A member may retire with a normal service retirement allowance if:

20 (1) on or before the date of retirement, the member:

21 (I) has at least 20 years of eligibility service;

22 [(2) for at least 5 years immediately before retirement, the member was:

23 (i) a security attendant at Clifton T. Perkins Hospital Center;

24 (ii) a correctional officer in any of the first six job classifications;

25 (iii) a detention center officer employed by a participating
26 governmental unit that has elected to participate in the Correctional Officers' Retirement
27 System;

28 (iv) an individual serving as a correctional dietary, maintenance,
29 laundry, or supply officer;

1 (v) an individual serving as a Maryland Correctional Enterprises
2 officer, officer trainee, plant supervisor, plant manager, or regional manager;

3 (vi) a correctional officer serving as a security chief, a facility
4 administrator, an assistant warden, or a warden; or

5 (vii) in a combination of these positions; and]

6 **(II) IS AT LEAST 55 YEARS OLD AND HAS:**

7 **1. AT LEAST 5 YEARS OF ELIGIBILITY SERVICE CREDIT,**
8 **IF THE MEMBER IS A MEMBER ON OR BEFORE JUNE 30, 2011; OR**

9 **2. AT LEAST 10 YEARS OF ELIGIBILITY SERVICE CREDIT,**
10 **IF THE MEMBER BECOMES A MEMBER ON OR AFTER JULY 1, 2011; OR**

11 **(III) IS A MAXIMUM SECURITY ATTENDANT AT THE CLIFTON T.**
12 **PERKINS HOSPITAL CENTER WHO IS AT LEAST 60 YEARS OLD AND HAS:**

13 **1. AT LEAST 5 YEARS OF ELIGIBILITY SERVICE CREDIT,**
14 **IF THE MEMBER IS A MEMBER ON OR BEFORE JUNE 30, 2011; OR**

15 **2. AT LEAST 10 YEARS OF ELIGIBILITY SERVICE CREDIT,**
16 **IF THE MEMBER BECOMES A MEMBER ON OR AFTER JULY 1, 2011; AND**

17 **[(3)] (2) the member completes and submits a written application to the**
18 **Board of Trustees stating the date when the member desires to retire.**

19 (b) On retirement under this section, a member is entitled to receive a normal
20 service retirement allowance that equals one fifty-fifth of the member's average final
21 compensation multiplied by the number of years of creditable service.

22 29-302.

23 (c) A vested allowance is a deferred allowance starting at:

24 (1) normal retirement age for members of:

25 (i) the Employees' Retirement System;

26 (ii) the State Police Retirement System; and

27 (iii) the Teachers' Retirement System;

28 (2) **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,**
29 **age 55 for a member of the Correctional Officers' Retirement System [who is:**

1 (i) a correctional officer in the first six job classifications;

2 (ii) a detention center officer employed by a participating
3 governmental unit who has elected to participate in the Correctional Officers' Retirement
4 System;

5 (iii) an individual serving as a correctional dietary, maintenance,
6 laundry, or supply officer; or

7 (iv) an individual serving as a Maryland Correctional Enterprises
8 officer, officer trainee, plant supervisor, plant manager, or regional manager]; or

9 (3) age 60 for a member of the Correctional Officers' Retirement System
10 who is a maximum security attendant at the Clifton T. Perkins Hospital Center.

11 SECTION 2. AND BE IT FURTHER ENACTED, That:

12 (a) This section applies to an individual who:

13 (1) is a member of the Employees' Retirement System on June 30, 2014,
14 and employed as a correctional officer serving as a security chief, a facility administrator,
15 an assistant warden, or a warden; and

16 (2) continues employment through July 1, 2015, as a correctional officer
17 serving as a security chief, a facility administrator, an assistant warden, or a warden.

18 (b) (1) On or after July 1, 2015, but on or before December 31, 2015, an
19 individual described in subsection (a) of this section may cease membership in the
20 Employees' Retirement System and be enrolled as a member of the Correctional Officers'
21 Retirement System.

22 (2) An individual who enrolls as a member of the Correctional Officers'
23 Retirement System under paragraph (1) of this subsection may transfer service credit from
24 the Employees' Retirement System to the Correctional Officers' Retirement System.

25 (3) (i) An individual who chooses to enroll in the Correctional Officers'
26 Retirement System under paragraph (1) of this subsection shall do so by filing an
27 application provided by the Board of Trustees for the State Retirement and Pension
28 System.

29 (ii) An individual who chooses to transfer service credit to the
30 Correctional Officers' Retirement System under paragraph (2) of this subsection shall do so
31 by filing an application provided by the Board of Trustees for the State Retirement and
32 Pension System.

1 (4) (i) Service credit transferred under paragraph (2) of this subsection
2 shall be transferred in the same manner as a transfer of service credit made in accordance
3 with Title 37 of the State Personnel and Pensions Article.

4 (ii) The Executive Director of the State Retirement Agency shall
5 grant a waiver under § 37–203.2 of the State Personnel and Pensions Article if a waiver is
6 necessary to transfer service credit under paragraph (2) of this subsection.

7 SECTION 3. AND BE IT FURTHER ENACTED, That § 37–203.1(g)(2) of the State
8 Personnel and Pensions Article does not apply to an individual who transfers service credit
9 to the Correctional Officers' Retirement System under Title 37 of the State Personnel and
10 Pensions Article in accordance with this Act or Chapter 188 of the Acts of the General
11 Assembly of 2014.

12 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2015. Section 2 of this Act shall remain effective for a period of 6 months and, at the
14 end of December 31, 2015, with no further action required by the General Assembly, Section
15 2 of this Act shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.