

SENATE BILL 356

K4
SB 453/16 – B&T

7lr2465

By: **Senators Serafini, Cassilly, Edwards, Hershey, Jennings, Ready, Salling, and Simonaire**

Introduced and read first time: January 25, 2017

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Workgroup to Study the Optional Retirement Program**

3 FOR the purpose of establishing the Workgroup to Study the Optional Retirement
4 Program; providing for the composition, chair, and staffing of the Workgroup;
5 prohibiting a member of the Workgroup from receiving certain compensation, but
6 authorizing the reimbursement of certain expenses; requiring the Workgroup to
7 study and make recommendations regarding certain matters; requiring the
8 Workgroup to report its findings and recommendations to the Governor and the
9 General Assembly on or before a certain date; providing for the termination of this
10 Act; and generally relating to the Workgroup to Study the Optional Retirement
11 Program.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That:

14 (a) There is a Workgroup to Study the Optional Retirement Program.

15 (b) The Workgroup consists of the following members:

16 (1) a representative of the Maryland Higher Education Commission,
17 appointed by the Secretary of Higher Education;

18 (2) the following representatives of public 4-year institutions of higher
19 education, including representatives of Administrative Affairs and Academic Affairs:

20 (i) a representative of the University System of Maryland,
21 appointed by the Chancellor of the University System of Maryland;

22 (ii) a representative of Morgan State University, appointed by the
23 President of Morgan State University; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) a representative of St. Mary's College of Maryland, appointed by
2 the President of St. Mary's College of Maryland;

3 (3) a representative of the Maryland Association of Community Colleges,
4 appointed by the Executive Director of the Maryland Association of Community Colleges;

5 (4) a representative of the Department of Budget and Management,
6 appointed by the Secretary of Budget and Management;

7 (5) a representative of the State Retirement Agency, appointed by the
8 Executive Director of the State Retirement Agency; and

9 (6) a representative of a bargaining unit for nonexempt employees,
10 appointed by the Governor.

11 (c) The Workgroup shall elect a chair from among its members.

12 (d) The University System of Maryland shall provide staff for the Workgroup.

13 (e) A member of the Workgroup:

14 (1) may not receive compensation as a member of the Workgroup; but

15 (2) is entitled to reimbursement for expenses under the Standard State
16 Travel Regulations, as provided in the State budget.

17 (f) The Workgroup shall:

18 (1) review the population of employees eligible to participate in the
19 Optional Retirement Program, including:

20 (i) the number of employees in various employment categories, such
21 as exempt and nonexempt categories;

22 (ii) participation rates by employment categories; and

23 (iii) changes in participation rates over time;

24 (2) review the contribution requirements for the Optional Retirement
25 Program, including:

26 (i) the State contribution rate for participants of the Optional
27 Retirement Program; and

28 (ii) the appropriateness of an employee contribution for participants
29 of the Optional Retirement Program;

1 (3) review the eligibility criteria for health benefits of Optional Retirement
2 Program participants, including:

3 (i) the number of years of service participants in the Optional
4 Retirement Program are required to have to be eligible for retiree health benefits and a
5 prorated retiree health benefit subsidy;

6 (ii) the number of years of service participants in the Optional
7 Retirement Program are required to have for their spouses and dependents to be eligible
8 for retiree health benefits; and

9 (iii) whether any changes should be recommended to the eligibility
10 criteria for the Optional Retirement Program that would authorize a prorated retiree
11 health benefit subsidy for the spouses and dependents of participants of the Optional
12 Retirement Program; and

13 (4) make recommendations regarding any changes to the Optional
14 Retirement Program that would improve the Program and would be beneficial to the
15 participants in the Program and the State.

16 (g) On or before December 1, 2017, the Workgroup shall report its findings and
17 recommendations to the Governor and, in accordance with § 2-1246 of the State
18 Government Article, the General Assembly.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
20 1, 2017. It shall remain effective for a period of 1 year and 1 month and, at the end of June
21 30, 2018, with no further action required by the General Assembly, this Act shall be
22 abrogated and of no further force and effect.