

# HOUSE BILL 822

K4

8lr1479

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By: **Delegate Krimm**

Introduced and read first time: February 2, 2018

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Personnel and Pensions – Phased Retirement Plan – Development and**  
3 **Implementation**

4 FOR the purpose of requiring, on or before a certain date, the Department of Budget and  
5 Management and the State Retirement Agency to develop and, to the extent  
6 authorized under law, implement a certain phased retirement plan for certain  
7 eligible individuals; requiring the Department and the Agency to consider certain  
8 options in developing the plan; requiring, on or before certain dates, the Department  
9 and the Agency to submit certain reports to the Department of Legislative Services  
10 and the Joint Committee on Pensions; requiring, on or before a certain date, the  
11 Department and the Agency to submit the plan to the Department of Legislative  
12 Services, certain committees of the General Assembly, and the Joint Committee on  
13 Pensions; requiring the Department and the Agency to make certain  
14 recommendations to the Joint Committee on Pensions on certain statutory changes  
15 to implement the plan; defining certain terms; providing for the termination of  
16 certain provisions of this Act; and generally relating to the development and  
17 implementation of a phased retirement plan.

18 BY adding to

19 Article – State Personnel and Pensions  
20 The new title “Title 41. Phased Retirement Plans”  
21 Annotated Code of Maryland  
22 (2015 Replacement Volume and 2017 Supplement)

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

25 **Article – State Personnel and Pensions**

26 **TITLE 41. PHASED RETIREMENT PLANS.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **41-101. RESERVED.**

2 **41-102. RESERVED.**

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

4 (a) (1) In this section the following words have the meanings indicated.

5 (2) "Agency" means the State Retirement Agency.

6 (3) "Department" means the Department of Budget and Management.

7 (4) "Eligible individual" means an individual who:

8 (i) is a member of:

9 1. the Correctional Officers' Retirement System;

10 2. the Employees' Pension System;

11 3. the Employees' Retirement System;

12 4. the Law Enforcement Officers' Pension System;

13 5. the State Police Retirement System;

14 6. the Teachers' Pension System; or

15 7. the Teachers' Retirement System; and

16 (ii) is not:

17 1. a member of a pension or retirement system specified in  
18 subparagraph (i) of this paragraph by virtue of the individual's employment with a  
19 participating governmental unit; or

20 2. participating in a deferred retirement option program.

21 (5) "Phased retirement plan" means a plan that, at a minimum, authorizes  
22 a retirement-eligible employee to remain in State service on a part-time basis and receive  
23 regular compensation for the time spent working while also collecting prorated retirement  
24 benefits.

25 (b) The Department and the Agency shall develop a phased retirement plan for  
26 eligible individuals.

1 (c) In developing the phased retirement plan, the Department and the Agency  
2 shall consider all options to incentivize eligible individuals to stay in State service to mentor  
3 or train employees who will later fill the positions of the experienced employees who are  
4 preparing for retirement.

5 (d) (1) On or before January 1, 2019, and on or before May 1, 2019, the  
6 Department and the Agency shall submit a report to the Department of Legislative Services  
7 and, in accordance with § 2–1246 of the State Government Article, the Joint Committee on  
8 Pensions on the development of the phased retirement plan.

9 (2) On or before July 1, 2019, the Department and the Agency shall:

10 (i) finalize the development of the phased retirement plan; and

11 (ii) submit the finalized phased retirement plan to the Department  
12 of Legislative Services and, in accordance with § 2–1246 of the State Government Article,  
13 the Senate Budget and Taxation Committee, the House Appropriations Committee, and the  
14 Joint Committee on Pensions.

15 (3) On or before December 31, 2019, the Department and the Agency shall  
16 make recommendations to the Joint Committee on Pensions on the suggested statutory  
17 changes to implement the finalized phased retirement plan.

18 (4) On or before July 1, 2020, to the extent authorized under law, the  
19 Department and the Agency shall implement the finalized phased retirement plan.

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
21 1, 2018. Section 2 of this Act shall remain effective for a period of 3 years and, at the end of  
22 June 30, 2021, Section 2 of this Act, with no further action required by the General  
23 Assembly, shall be abrogated and of no further force and effect.