

SENATE BILL 299

Q3, K4

(8lr0147)

ENROLLED BILL

— Budget and Taxation/Appropriations —

Introduced by **The President (By Request – Administration) and Senators Bates, Cassilly, Eckardt, Edwards, Hershey, Hough, Jennings, Klausmeier, Mathias, Ready, Reilly, Salling, Serafini, ~~and Simonaire~~ Simonaire, DeGrange, Guzzone, Manno, McFadden, and Peters**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 ~~**Income Tax Subtraction Modification – Correctional Officers**~~
3 ~~**(Hometown Heroes Act of 2018)**~~
4 **Correctional Officers’ Retirement System – Membership**

5 FOR the purpose of including certain individuals employed by the Department of Juvenile
6 Services and the Department of Public Safety and Correctional Services in the
7 membership of the Correctional Officers’ Retirement System; ~~providing a subtraction~~
8 ~~modification under the Maryland income tax under certain circumstances for a~~
9 ~~certain amount of retirement income attributable to an individual’s employment as~~
10 ~~a correctional officer~~; providing for the application of certain provisions of this Act;
11 requiring the State Retirement Agency, on or before a certain date, to notify certain
12 individuals affected by this Act of their rights to transfer certain service credit to the

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.

Italics indicate opposite chamber/conference committee amendments.



1 ~~Correctional Officers' Retirement System; defining a certain term; and generally~~
 2 ~~relating to a subtraction modification for retired correctional officers.~~ requiring a
 3 certain transfer and combination of certain service credit for certain individuals;
 4 requiring the Board of Trustees for the State Retirement and Pension System to
 5 calculate a certain disability benefit for certain individuals and to grant a certain
 6 benefit under certain circumstances; and generally relating to membership in the
 7 Correctional Officers' Retirement System.

8 BY repealing and reenacting, with amendments,
 9 Article – State Personnel and Pensions
 10 Section 25–201 and 25–401
 11 Annotated Code of Maryland
 12 (2015 Replacement Volume and 2017 Supplement)

13 ~~BY repealing and reenacting, with amendments,~~
 14 ~~Article – Tax – General~~
 15 ~~Section 10–200~~
 16 ~~Annotated Code of Maryland~~
 17 ~~(2016 Replacement Volume and 2017 Supplement)~~

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

20 **Article – State Personnel and Pensions**

21 25–201.

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

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

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

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

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

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

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

- 1 (i) begins employment in that position on or after July 1, 2014; or
- 2 (ii) is serving in that position on June 30, 2014, and elects to transfer
3 to the Correctional Officers' Retirement System from:
- 4 1. the Employees' Pension System on or before December 31,
5 2014; or
- 6 2. the Employees' Retirement System on or before December
7 31, 2015;
- 8 (7) an individual serving as a correctional case management specialist,
9 supervisor, or manager on or after July 1, 2016; [and]
- 10 (8) an individual serving as a parole and probation agent, supervisor, or
11 regional administrator on or after July 1, 2017; [and]
- 12 (9) an individual serving as a Department of Public Safety and
13 Correctional Services employee in one of the following positions on or after July 1, 2017:
- 14 (i) an alcohol and drug:
- 15 1. associate counselor, counselor lead, counselor provisional,
16 or counselor supervisor;
- 17 2. professional counselor, counselor provisional, or counselor
18 supervisor; or
- 19 3. supervised counselor or counselor provisional;
- 20 (ii) a mental health professional counselor, graduate professional
21 counselor, professional counselor advanced, or professional supervisor;
- 22 (iii) a psychologist, psychology associate, or psychology associate
23 doctorate;
- 24 (iv) a social worker, social worker advanced, social worker
25 supervisor, or social work regional supervisor; or
- 26 (v) a recreation officer or supervisor; ~~AND~~

27 **(10) AN INDIVIDUAL SERVING AS A DEPARTMENT OF JUVENILE**
28 **SERVICES EMPLOYEE IN ONE OF THE FOLLOWING POSITIONS ON OR AFTER JULY 1,**
29 **2018:**

1 (1) ~~AN ADVISOR LEAD, ADVISOR SUPERVISOR, OR ADVISOR~~
2 ~~TRAINEE;~~

3 (II) ~~A COOK OR A FOOD SERVICE WORKER;~~

4 (III) ~~A MAINTENANCE ASSISTANT, MAINTENANCE CHIEF,~~
5 ~~MAINTENANCE MECHANIC, OR MAINTENANCE SUPERVISOR; OR~~

6 (IV) ~~A RESIDENT ADVISOR OR RESIDENT ADVISOR TEAM LEAD A~~
7 COMMUNITY DETENTION OFFICER OR COMMUNITY DETENTION SUPERVISOR;

8 (II) A YOUTH TRANSPORTATION OFFICER, YOUTH
9 TRANSPORTATION OFFICER LEAD, YOUTH TRANSPORTATION OFFICER SUPERVISOR,
10 OR YOUTH TRANSPORTATION OFFICER TRAINEE; OR

11 (III) A RESIDENT ADVISOR, RESIDENT ADVISOR LEAD, RESIDENT
12 ADVISOR SUPERVISOR, OR RESIDENT ADVISOR TRAINEE; OR

13 (IV) A YOUTH RECREATION SPECIALIST; AND

14 (11) AN INDIVIDUAL SERVING AS A DEPARTMENT OF PUBLIC SAFETY
15 AND CORRECTIONAL SERVICES EMPLOYEE IN ONE OF THE FOLLOWING POSITIONS
16 ON OR AFTER JULY 1, 2018:

17 (I) A PAROLE AND PROBATION ASSISTANT REGIONAL
18 ADMINISTRATOR;

19 (II) A PSYCHOLOGY SERVICES CHIEF;

20 (III) A CORRECTIONAL MAINTENANCE OFFICER SUPERVISOR;

21 (IV) A CORRECTIONAL MAINTENANCE OFFICER MANAGER;

22 (V) A CORRECTIONAL MAINTENANCE SERVICES OFFICER;

23 (VI) A CORRECTIONAL MAINTENANCE SERVICES SUPERVISOR;
24 OR

25 (VII) A CORRECTIONAL MAINTENANCE SERVICES MANAGER.

26 (b) This subtitle does not apply to:

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

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

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

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

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

12 (i) the Employees' Pension System on or before December 31, 2014;
13 or

14 (ii) the Employees' Retirement System on or before December 31,
15 2015.

16 25-401.

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

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

19 (i) has at least 20 years of eligibility service;

20 (ii) 1. is a correctional case management specialist, supervisor,
21 or manager on or before June 30, 2016;

22 2. is vested in the Correctional Officers' Retirement System;
23 and

24 3. has a combined total of at least 20 years of eligibility
25 service from:

26 A. the Correctional Officers' Retirement System and the
27 Employees' Retirement System; or

28 B. the Correctional Officers' Retirement System and the
29 Employees' Pension System;

30 (iii) 1. is serving in a position specified in:

1 A. § 25–201(a)(8) or (9) of this title on or before June 30, 2017;

2 **OR**

3 B. ~~§ 25–201(A)(10)~~ **§ 25–201(A)(10) OR (11) OF THIS**
4 **TITLE ON OR BEFORE JUNE 30, 2018;**

5 2. is vested in the Correctional Officers' Retirement System;
6 and

7 3. has a combined total of at least 20 years of eligibility
8 service from:

9 A. the Correctional Officers' Retirement System and the
10 Employees' Retirement System; or

11 B. the Correctional Officers' Retirement System and the
12 Employees' Pension System; or

13 (iv) is at least 55 years old and has:

14 1. at least 5 years of eligibility service credit, if the member
15 is a member on or before June 30, 2011; or

16 2. at least 10 years of eligibility service credit, if the member
17 becomes a member on or after July 1, 2011; and

18 (2) the member completes and submits a written application to the Board
19 of Trustees stating the date when the member desires to retire.

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

23 (c) (1) This subsection applies only to:

24 (i) a correctional case management specialist, supervisor, or
25 manager who has a combined total of 20 years of eligibility service as provided in subsection
26 (a)(1)(ii) of this section; or

27 (ii) a member serving in a position specified in § 25–201(a)(8), [or]
28 (9), ~~OR (10)~~, **OR (11)** of this title who has a combined total of 20 years of eligibility service
29 as provided in subsection (a)(1)(iii) of this section.

30 (2) A member is entitled to receive a normal service retirement allowance
31 that equals an allowance based on the creditable service the member has in the
32 Correctional Officers' Retirement System.

~~50% OF THE RETIREMENT INCOME THAT IS ATTRIBUTABLE TO THE RESIDENT'S EMPLOYMENT AS A CORRECTIONAL OFFICER, LAW ENFORCEMENT OFFICER, OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE; AND~~

~~(3) FOR ANY TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, MAY BE SUBTRACTED ONLY IF THE RESIDENT IS AT LEAST 50 YEARS OLD ON THE LAST DAY OF THE TAXABLE YEAR AND INCLUDES ALL OF THE RETIREMENT INCOME THAT IS ATTRIBUTABLE TO THE RESIDENT'S EMPLOYMENT AS A CORRECTIONAL OFFICER, LAW ENFORCEMENT OFFICER, OR FIRE, RESCUE, OR EMERGENCY SERVICES PERSONNEL OF THE UNITED STATES, THE STATE, OR A POLITICAL SUBDIVISION OF THE STATE.~~

~~(F) THE LIMITATIONS SET FORTH IN SUBSECTION (E) OF THIS SECTION DO NOT APPLY IF:~~

~~(1) the resident is at least 65 years old or is totally disabled; or~~

~~(2) the resident's spouse is totally disabled.~~

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That, on or before ~~October 1, 2018~~ January 1, 2019, the State Retirement Agency shall notify the individuals who are affected by this Act of their right to transfer service credit from the Employees' Retirement System or the Employees' Pension System to the Correctional Officers' Retirement System.

SECTION ~~4~~ 3. AND BE IT FURTHER ENACTED, That ~~Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2017~~ § 37-203(f)(3) of the State Personnel and Pensions Article does not apply to an individual who transfers service credit to the Correctional Officers' Retirement System under Title 37 of the State Personnel and Pensions Article in accordance with this Act, Chapters 218 or 219 of the Acts of the General Assembly of 2016, or Chapters 688, 689, or 690 of the Acts of the General Assembly of 2017.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) This section applies to an individual who:

(1) is employed in a position:

(i) affected by this Act on July 1, 2018;

(ii) affected by Chapters 218 or 219 of the Acts of the General Assembly of 2016 and has not transferred service credit from the Employees' Pension System to the Correctional Officers' Retirement System; or

1 (iii) affected by Chapters 688, 689, or 690 of the Acts of the General
 2 Assembly of 2017 and has not transferred service credit from the Employees' Pension
 3 System to the Correctional Officers' Retirement System; and

4 (2) has no creditable service in the Employees' Pension System before July
 5 1, 2008.

6 (b) An individual described under subsection (a) of this section shall have the
 7 individual's service credit from the Employees' Pension System transferred and combined
 8 with the individual's service in the Correctional Officers' Retirement System.

9 (c) If an individual described under subsection (a) of this section is granted an
 10 ordinary disability benefit under Title 29, Subtitle 1 of the State Personnel and Pensions
 11 Article, the Board of Trustees for the State Retirement and Pension System shall calculate
 12 the ordinary disability benefit under §§ 29-106 and 29-108 of the State Personnel and
 13 Pensions Article and grant the individual the greater benefit.

14 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July
 15 1, 2018.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.