

Chapter 774

(House Bill 822)

AN ACT concerning

Personnel and Pensions – Phased Retirement Plan – ~~Development and Implementation~~

FOR the purpose of requiring, on or before a certain date, the Department of Budget and Management and the State Retirement Agency to develop ~~and, to the extent authorized under law, implement a certain phased retirement plan for certain eligible individuals;~~ recommendations for a phased retirement plan; requiring the Department and the Agency to consider certain options and work with certain representatives in developing the plan recommendations; requiring, on or before certain dates, the Department and the Agency to submit certain reports to the Department of Legislative Services and the Joint Committee on Pensions; requiring, on or before a certain date, the Department and the Agency to submit ~~the plan~~ certain recommendations to the Department of Legislative Services, certain committees of the General Assembly, and the Joint Committee on Pensions; requiring the Department and the Agency to make certain recommendations to the Joint Committee on Pensions on certain statutory changes to implement ~~the~~ a phased retirement plan; defining certain terms; providing for the termination of certain provisions of this Act; and generally relating to the development ~~and implementation~~ of a phased retirement plan.

~~By adding to~~
~~Article – State Personnel and Pensions~~
~~The new title “Title 41. Phased Retirement Plans”~~
~~Annotated Code of Maryland~~
~~(2015 Replacement Volume and 2017 Supplement)~~

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

~~**Article – State Personnel and Pensions**~~

~~**TITLE 41. PHASED RETIREMENT PLANS.**~~

~~**41-101. RESERVED.**~~

~~**41-102. RESERVED.**~~

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

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

- (2) “Agency” means the State Retirement Agency.
- (3) “Department” means the Department of Budget and Management.
- (4) “Eligible individual” means an individual who:

(i) is a member of:

1. the Correctional Officers’ Retirement System;
2. the Employees’ Pension System;
3. the Employees’ Retirement System;
4. the Law Enforcement Officers’ Pension System;
5. the State Police Retirement System;
6. the Teachers’ Pension System; or
7. the Teachers’ Retirement System; and

(ii) is not:

1. a member of a pension or retirement system specified in subparagraph (i) of this paragraph by virtue of the individual’s employment with a participating governmental unit; or
2. participating in a deferred retirement option program.

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

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

(c) In developing ~~the~~ *recommendations for a* phased retirement plan, the Department and the Agency shall:

(1) consider all options to incentivize eligible individuals to stay in State service to mentor or train employees who will later fill the positions of the experienced employees who are preparing for retirement; and

(2) work with the exclusive representatives of the employees for which the phased retirement plan is being developed.

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

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

(i) finalize the development of the recommendations for a phased retirement plan; and

(ii) submit the finalized recommendations for a phased retirement plan to the Department of Legislative Services and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee, the House Appropriations Committee, and the Joint Committee on Pensions.

(3) On or before December ~~31~~ 1, 2019, the Department and the Agency shall make recommendations to the Joint Committee on Pensions on the suggested statutory changes to implement ~~the finalized~~ a phased retirement plan.

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

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

Approved by the Governor, May 15, 2018.