

Chapter 724

(Senate Bill 784)

AN ACT concerning

Pensions – Administrative and Operational Expenses – Limitation and Calculation

FOR the purpose of increasing the administrative and operational expense cap of the Board of Trustees for the State Retirement and Pension System and the State Retirement Agency in certain fiscal years under certain circumstances; altering the basis for the calculation of the administrative and operational expense cap; providing for the application of this Act; making certain sections of this Act contingent on the taking effect of another Act; and generally relating to the administrative and operational expense cap for the Board of Trustees and the Agency.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 21–315(c)
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

21–315.

(c) (1) [Each] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, EACH** year the Board of Trustees shall estimate the amount, not exceeding 0.22% of [the payroll of members] **ACTIVE MEMBER PAYROLL, RETIREE BENEFITS, AND FORMER MEMBER COMPENSATION**, necessary for the administrative and operational expenses of the Board of Trustees and the State Retirement Agency.

(2) **NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, FOR FISCAL YEARS 2019 THROUGH 2022, THE BOARD OF TRUSTEES’ ESTIMATE OF THE AMOUNT NECESSARY FOR THE ADMINISTRATIVE AND OPERATIONAL EXPENSES OF THE BOARD OF TRUSTEES AND THE STATE RETIREMENT AGENCY MAY NOT EXCEED 0.26% OF ACTIVE MEMBER PAYROLL, RETIREE BENEFITS, AND FORMER MEMBER COMPENSATION.**

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

21–315.

(c) Each year the Board of Trustees shall estimate the amount, not exceeding 0.22% of [the payroll of members] **ACTIVE MEMBER PAYROLL, RETIREE BENEFITS, AND FORMER MEMBER COMPENSATION**, necessary for the administrative and operational expenses of the Board of Trustees and the State Retirement Agency.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2018, contingent on the taking effect of Chapter 727 of the Acts of the General Assembly of 2018, and if Chapter 727 does not take effect, Section 2 of this Act, with no further action required by the General Assembly, shall be null and void.

SECTION 4. AND BE IT FURTHER ENACTED, That if Section 2 of this Act takes effect, Section 1 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions of Sections 3 and 4 of this Act, this Act shall take effect July 1, 2018.

Approved by the Governor, May 15, 2018.