

HOUSE BILL 537

P4, K4

0lr2083
CF SB 339

By: **Delegates Saab and M. Jackson**

Introduced and read first time: January 27, 2020

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Employee and Retiree Health and Welfare Benefits Program –**
3 **Participation**

4 FOR the purpose of requiring certain employment with a certain community college to be
5 included in the calculation of State service to determine eligibility to participate as
6 a retiree in the State Employee and Retiree Health and Welfare Benefits Program;
7 requiring an individual to be considered an employee of the State on or before a
8 certain date under certain circumstances; and generally relating to retiree
9 participation in the State Employee and Retiree Health and Welfare Benefits
10 Program.

11 BY repealing and reenacting, with amendments,
12 Article – State Personnel and Pensions
13 Section 2–509(a)
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2019 Supplement)

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

18 **Article – State Personnel and Pensions**

19 2–509.

20 (a) (1) This subsection applies to a retiree of an optional retirement program
21 under Title 30 of this article who began service as an employee of the State in the Executive,
22 Legislative, or Judicial Branch of government on or before June 30, 2011.

23 (2) (i) Subject to subparagraph (ii) of this paragraph, an individual may
24 enroll and participate in the health insurance benefit options established under the
25 Program if the individual retired under an optional program under Title 30 of this article

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 and:

2 1. ended service with a State institution of higher education
3 with at least 10 years of service and was at least age 57;

4 2. ended service with a State institution of higher education
5 with at least 16 years of service; or

6 3. retired directly from and had at least 5 years of service
7 with a State institution of higher education with a periodic distribution of benefits on or
8 after July 1, 1984.

9 (ii) 1. For purposes of this subsection only, years of service shall
10 be calculated as follows:

11 A. except as provided in subsubparagraph 2 of this
12 subparagraph, a year of service means a period of 12 months during which an employee
13 was a participant in an optional retirement program under Title 30 of this article and the
14 participant's employer made contributions to the participant's account in the Program; or

15 B. if an employee's work year is an academic year of at least
16 9 but less than 12 months, a year of service means a period equal to the academic year
17 during which an employee was a participant in an optional retirement program under Title
18 30 of this article and the participant's employer made contributions to the participant's
19 account in the Program.

20 2. To determine eligibility for health insurance benefits
21 under this section, each year of service shall be multiplied by the participant's percentage
22 of full-time employment for that year of service.

23 **3. TO DETERMINE ELIGIBILITY FOR HEALTH**
24 **INSURANCE BENEFITS UNDER THIS SECTION, THE CALCULATION OF YEARS OF**
25 **SERVICE UNDER SUBSUBPARAGRAPHS 1 AND 2 OF THIS SUBPARAGRAPH SHALL**
26 **INCLUDE AN INDIVIDUAL'S EMPLOYMENT BY ANNE ARUNDEL COMMUNITY**
27 **COLLEGE FROM AUGUST 2002 THROUGH NOVEMBER 2013 IF:**

28 **A. THE INDIVIDUAL WAS A PARTICIPANT IN AN OPTIONAL**
29 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE WHILE EMPLOYED BY**
30 **ANNE ARUNDEL COMMUNITY COLLEGE; AND**

31 **B. THE INDIVIDUAL RETIRED UNDER AN OPTIONAL**
32 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE FROM THE UNIVERSITY**
33 **SYSTEM OF MARYLAND.**

34 **4. TO DETERMINE ELIGIBILITY FOR HEALTH**
35 **INSURANCE BENEFITS UNDER THIS SECTION, AN INDIVIDUAL WHO HAS THE YEARS**

1 **OF SERVICE INCLUDED UNDER SUBSUBPARAGRAPH 3 OF THIS SUBPARAGRAPH**
2 **SHALL BE CONSIDERED AS HAVING BEGUN SERVICE AS AN EMPLOYEE OF THE STATE**
3 **ON OR BEFORE JUNE 30, 2011, IF THE INDIVIDUAL WAS EMPLOYED BY ANNE**
4 **ARUNDEL COMMUNITY COLLEGE ON OR BEFORE JUNE 30, 2011.**

5 (iii) The surviving spouse or dependent child of a deceased individual
6 who was eligible to enroll may enroll and participate in the health insurance benefit options
7 established under the Program as long as the spouse or child is receiving a periodic
8 distribution of benefits under an optional retirement program under Title 30 of this article.

9 (3) (i) An enrollee under this section who was in service with a State
10 institution of higher education at the time of the retirement is entitled to the same State
11 subsidy allowed a retiree under § 2–508(b)(4) of this subtitle. However, except as provided
12 in subparagraph (ii) of this paragraph, the subsidy shall apply only to the costs of coverage
13 for the enrollee and may not apply to any additional costs of coverage for the enrollee’s
14 spouse or children.

15 (ii) If the enrollee has 25 or more years of service as an employee of
16 the State in the Executive, Legislative, or Judicial Branch of government, the enrollee or
17 the enrollee’s surviving spouse or dependent child is entitled to the same State subsidy
18 allowed a retiree with 16 or more years of creditable service under § 2–508(b)(4)(i) of this
19 subtitle.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
21 1, 2020.