

SENATE BILL 339

P4, K4

0lr1885
CF HB 537

By: **Senator Reilly**

Introduced and read first time: January 23, 2020

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2020

CHAPTER _____

1 AN ACT concerning

2 **State Employee and Retiree Health and Welfare Benefits**
3 **Program – 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~~ providing for the application of this Act;
9 defining a certain term; and generally relating to retiree participation in the State
10 Employee and Retiree Health and Welfare Benefits Program.

11 BY repealing and reenacting, ~~with~~ without 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.

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.



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

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

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

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

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

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

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

21 B. if an employee's work year is an academic year of at least
22 9 but less than 12 months, a year of service means a period equal to the academic year
23 during which an employee was a participant in an optional retirement program under Title
24 30 of this article and the participant's employer made contributions to the participant's
25 account in the Program.

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

29 ~~3. TO DETERMINE ELIGIBILITY FOR HEALTH~~
30 ~~INSURANCE BENEFITS UNDER THIS SECTION, THE CALCULATION OF YEARS OF~~
31 ~~SERVICE UNDER SUBSUBPARAGRAPHS 1 AND 2 OF THIS SUBPARAGRAPH SHALL~~
32 ~~INCLUDE AN INDIVIDUAL'S EMPLOYMENT BY ANNE ARUNDEL COMMUNITY~~
33 ~~COLLEGE FROM AUGUST 2002 THROUGH NOVEMBER 2013 IF:~~

34 ~~A. THE INDIVIDUAL WAS A PARTICIPANT IN AN OPTIONAL~~
35 ~~RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE WHILE EMPLOYED BY~~
36 ~~ANNE ARUNDEL COMMUNITY COLLEGE; AND~~

~~B. THE INDIVIDUAL RETIRED UNDER AN OPTIONAL RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE FROM THE UNIVERSITY SYSTEM OF MARYLAND.~~

~~4. TO DETERMINE ELIGIBILITY FOR HEALTH INSURANCE BENEFITS UNDER THIS SECTION, AN INDIVIDUAL WHO HAS THE YEARS OF SERVICE INCLUDED UNDER SUBSUBPARAGRAPH 3 OF THIS SUBPARAGRAPH SHALL BE CONSIDERED AS HAVING BEGUN SERVICE AS AN EMPLOYEE OF THE STATE ON OR BEFORE JUNE 30, 2011, IF THE INDIVIDUAL WAS EMPLOYED BY ANNE ARUNDEL COMMUNITY COLLEGE ON OR BEFORE JUNE 30, 2011.~~

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) In this subsection, "Optional Retirement Program" means the Optional Retirement Program under Title 30 of the State Personnel and Pensions Article.

(2) This section applies to an individual who:

(i) was a member of the Optional Retirement Program;

(ii) participated in the Optional Retirement Program while employed by Anne Arundel Community College with employment beginning in August 2002 and ending in November 2013;

(iii) participated in the Optional Retirement Program while employed by the University of Maryland, Baltimore, with employment beginning in November 2013;

1 (iv) ends service with the University of Maryland, Baltimore with at
2 least 16 years of service in the Optional Retirement Program; and

3 (v) is a retiree of the Optional Retirement Program.

4 (b) To determine eligibility for health insurance benefits under § 2-509 of the
5 State Personnel and Pensions Article for an individual described under subsection (a) of
6 this section:

7 (1) the calculation of years of service shall include the individual's
8 employment by Anne Arundel Community College; and

9 (2) the individual shall be considered as having begun service as an
10 employee of the State on or before June 30, 2011.

11 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2020.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.