

HB1139/413120/1

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL 1139
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “**Eligible Governmental Units**” and substitute “**Administration and Clarification**”; after line 12, insert:

“BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21–309.1, 21–309.2, 23–204(a), 31–109, 31–109.1, 31–111, 31–2A–03, 31–
2A–03.1, 31–2A–04, 31–2B–03, 31–2B–03.1, and 31–2B–04

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)”;

and strike in their entirety lines 19 through 23, inclusive.

AMENDMENT NO. 2

On page 1, after line 26, insert:

“21–309.1.

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

(2) “Local employee” has the meaning stated in § 21–304 of this subtitle.

(3) “Local employer” has the meaning stated in § 21–304 of this subtitle.

(b) On or before December 1 of each year, the Board of Trustees shall determine and certify the amounts payable by each local employer under § 21–304(b)(4) of this subtitle for the next fiscal year.

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(c) On or before October 1, January 1, [April 1] APRIL 16, and June 1 of each fiscal year, each local employer shall pay to the Board of Trustees 25% of the amount of the charges certified to the local employer by the Board of Trustees under subsection (b) of this section.

(d) (1) The Secretary of the Board of Trustees may allow a grace period not to exceed 10 calendar days for payment of the amounts certified under this section.

(2) If a local employer does not pay the amounts required under this section within the time required, on notification by the Secretary of the Board of Trustees that a delinquency exists, the State Comptroller immediately:

(i) shall withhold the delinquent amounts, including interest on the delinquent amounts at a rate of 7.75% a year, from any installment due the local employer from the General State School Fund; and

(ii) shall pay to the Board of Trustees the delinquent amounts, including interest, withheld under this paragraph.

(e) On receipt of the payments from each local employer or the State Comptroller, the Board of Trustees shall credit these amounts to the accumulation fund of the appropriate State system.

21-309.2.

(a) For purposes of making determinations under this section, the Teachers' Pension System and the Teachers' Retirement System shall be considered together as one State system.

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(b) (1) For fiscal year 2026, each county government shall pay to the Board of Trustees on or before January 1, 2026, the amount specified for that county government under § 21–304(b)(6) of this subtitle.

(2) Beginning in fiscal year 2027, each county government shall pay to the Board of Trustees on or before each September 1 the amount specified for that county government under § 21–304(b)(6) of this subtitle.

(c) (1) The Secretary of the Board of Trustees may allow a grace period not to exceed 10 calendar days for payment of the amounts certified under this section.

(2) If a county government does not pay the amounts required under this section within the time required, on notification by the Secretary of the Board of Trustees that a delinquency exists, the State Comptroller immediately shall:

(i) exercise the right of setoff against any money due or coming due to the delinquent county government; and

(ii) pay to the Board of Trustees the delinquent amounts, including interest **ON THE DELINQUENT AMOUNTS AT A RATE OF 7.75% A YEAR**, withheld in accordance with this paragraph.

(d) On receipt of the payments from each county government or the State Comptroller, the Board of Trustees shall credit the amounts received to the accumulation funds of the Teachers' Pension System and the Teachers' Retirement System.

23–204.

(a) (1) Membership in the Employees' Pension System is optional for an individual who is:

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(i) an official, elected or appointed for a fixed term;

(ii) an employee of the Governor's office;

(iii) an employee of the Senate or House of Delegates;

(iv) a member of the Prince George's County Board of License Commissioners;

(v) an employee of Dorchester County who is not and has not previously been a member of the county's general pension and retirement program or any other plan sponsored by Dorchester County; or

(vi) except as provided in subsection (g) of this section, an employee of a participating governmental unit who is employed by the participating governmental unit before the effective date of participation and who remains an employee of the participating governmental unit through the effective date of participation.

(2) An individual described under paragraph (1)(i) through (v) of this subsection who elects to join the Employees' Pension System shall make the election at commencement of employment by filing a written application with the Board of Trustees on a form that the Board of Trustees provides.

(3) An individual described under paragraph (1)(vi) of this subsection who elects to join the Employees' Pension System shall make the election prior to the effective date of participation by filing a written application with the Board of Trustees on a form that the Board of Trustees provides.

(4) An election to join the Employees' Pension System under this subsection is a one-time, irrevocable election.

(5) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL DESCRIBED UNDER PARAGRAPH (1)(I) THROUGH (V) OF THIS SUBSECTION.

(II) If an election to join the Employees' Pension System is not received by the Board of Trustees within the period of time described in paragraph (2) or (3) of this subsection, the individual may not elect to join the Employees' Pension System while employed in that position.

(6) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL DESCRIBED UNDER PARAGRAPH (1)(VI) OF THIS SUBSECTION.

(II) IF AN ELECTION TO JOIN THE EMPLOYEES' PENSION SYSTEM IS NOT RECEIVED BY THE BOARD OF TRUSTEES WITHIN THE PERIOD OF TIME DESCRIBED IN PARAGRAPH (3) OF THIS SUBSECTION, THE INDIVIDUAL IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM WHILE EMPLOYED IN THAT POSITION.

[(6)] (7) The Board of Trustees shall adopt regulations to implement this subsection.

On page 5, in line 3, after "IF" insert "THE ELIGIBLE GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO"; in the same line, after "ALL" insert "ELIGIBLE"; strike beginning with "PARTICIPATE" in line 4 down through "SYSTEM" in line 5; strike beginning with "(I)" in line 16 down through "(II)" in line 21; in line 22, strike "FOR OPTIONAL MEMBERSHIP" and substitute "TO ELECT TO PARTICIPATE"; strike beginning with "SUBPARAGRAPH" in line 23 down through "PARAGRAPH" in line 24 and substitute "PARAGRAPH (1) OF THIS SUBSECTION"; in line 26, strike "1." and substitute "(I)"; in line 28, strike "2." and substitute "(II)"; and after line 29, insert:

“(3) (I) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE IN OR OPT OUT OF PARTICIPATION IN THE EMPLOYEES’ PENSION SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE EMPLOYEES’ PENSION SYSTEM.

(II) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE IN OR OPT OUT OF PARTICIPATION IN THE EMPLOYEES’ PENSION SYSTEM SHALL EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT AGENCY STATING:

1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT THE NECESSARY DOCUMENTATION; AND

2. THE DATE WHEN THE APPOINTING AUTHORITY PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.

(III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO SUBMIT UNDER THIS SUBSECTION TO JOIN THE EMPLOYEES’ PENSION SYSTEM.

31-111.

(a) Except as provided in subsection (b) of this section and §§ 31-111.1, 31-111.3, 31-111.4, 31-111.5, 31-111.6, 31-111.7, and 31-111.8 of this subtitle, if an employee of a participating governmental unit joins the Employees’ Pension System on the effective date, the employee [is entitled to] SHALL RECEIVE 100% service credit for

THE EMPLOYEE'S employment with the participating governmental unit before the effective date.

(b) If an employee of the Baltimore Metropolitan Council elects to become a member of the Employees' Retirement System or the Employees' Pension System, the employee may not receive credit for service from July 1, 1992, to the effective date unless the employee pays to the Board of Trustees the amount of the member contributions the employee would have made during that period, plus regular interest."

On page 7, in line 15, after "IF" insert "THE ELIGIBLE GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO"; in line 16, after "ALL" insert "ELIGIBLE"; strike beginning with "PARTICIPATE" in line 17 down through "SYSTEM" in line 18; strike beginning with "(I)" in line 29 down through "(II)" in line 35; and in line 36, strike "FOR OPTIONAL MEMBERSHIP" and substitute "TO ELECT TO PARTICIPATE".

On page 8, in line 1, strike "SUBPARAGRAPH (I) OF THIS PARAGRAPH" and substitute "PARAGRAPH (1) OF THIS SUBSECTION"; in line 3, strike "1." and substitute "(I)"; in line 5, strike "2." and substitute "(II)"; and after line 6, insert:

"(3) (I) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE IN OR OPT OUT OF PARTICIPATION IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.

(II) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE IN OR OPT OUT OF PARTICIPATION IN THE LAW ENFORCEMENT

OFFICERS' PENSION SYSTEM SHALL EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT AGENCY STATING:

1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT THE NECESSARY DOCUMENTATION; AND

2. THE DATE WHEN THE APPOINTING AUTHORITY PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.

(III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO SUBMIT UNDER THIS SUBSECTION TO JOIN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.

31-2A-04.

If a law enforcement officer, firefighter, emergency medical technician, or paramedic joins the Law Enforcement Officers' Pension System on the effective date, the member [is entitled to] SHALL RECEIVE 100% SERVICE credit for THE MEMBER'S employment with the participating governmental unit before the effective date."

On page 9, in line 28, after "IF" insert "THE ELIGIBLE GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO"; in line 29, after "ALL" insert "ELIGIBLE"; and in line 30, strike "PARTICIPATE IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM".

On page 10, strike beginning with "(I)" in line 6 down through "(II)" in line 12; in line 13, strike "FOR OPTIONAL MEMBERSHIP" and substitute "TO ELECT TO PARTICIPATE"; strike beginning with "SUBPARAGRAPH" in line 14 down through "PARAGRAPH" in line 15 and substitute "PARAGRAPH (1) OF THIS SUBSECTION"; in

line 17, strike “1.” and substitute “**(I)**”; in line 19, strike “2.” and substitute “**(II)**”; and after line 20, insert:

“(3) (I) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE IN OR OPT OUT OF PARTICIPATION IN THE CORRECTIONAL OFFICERS’ RETIREMENT SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE CORRECTIONAL OFFICERS’ RETIREMENT SYSTEM.

(II) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE IN OR OPT OUT OF PARTICIPATION IN THE CORRECTIONAL OFFICERS’ RETIREMENT SYSTEM SHALL EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT AGENCY STATING:

1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT THE NECESSARY DOCUMENTATION; AND

2. THE DATE WHEN THE APPOINTING AUTHORITY PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.

(III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO SUBMIT UNDER THIS SUBSECTION TO JOIN THE CORRECTIONAL OFFICERS’ RETIREMENT SYSTEM.

31-2B-04.

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If a local detention center officer joins the Correctional Officers' Retirement System on the effective date, the member [is entitled to] SHALL RECEIVE 100% SERVICE credit for THE MEMBER'S employment with the participating governmental unit before the effective date."