

# **SB 457 Transfers Between Systems Workgroup - Suppo**

Uploaded by: Anne Gawthrop

Position: FAV





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**Testimony in Support of Senate Bill 457**  
**State Retirement and Pension System - Transfers Between Systems - Workgroup**  
**Senate Budget and Tax Committee**  
**February 13, 2025**  
**9:00 A.M.**

**Anne Gawthrop**  
**Director of Legislative Affairs**  
**State Retirement Agency**

The Board of Trustees for the State Retirement and Pension System wishes to express its support for Senate Bill 457, State Retirement and Pension System - Transfers Between Systems - Workgroup. Senate Bill 457 is legislation sponsored by the Joint Committee on Pensions at the request of the Board.

Title 37 of the State Personnel and Pensions Article governs the transfer of service from any State or local retirement or pension system to another State or local retirement or pension system. Because of this, it is the only pension related title in this Article that applies to the State, all 23 counties, and Baltimore City.

Provisions within Title 37 include those that address the types of service credit that may be transferred from one system to another, the member contributions and interest that must accompany these transfers, and the time frame under which these transfers must be made. Over the years, the State Retirement Agency (Agency) has noticed that there are many inconsistencies, duplicative provisions, and ambiguities throughout this title. Senate Bill 457 establishes a workgroup to review these issues. The workgroup consists of representatives from the Agency, Baltimore City, Baltimore County, and Howard County pension systems, American Federation of State, County, and Municipal Employees (AFSCME), and Department of Legislative Services. The Agency will provide the staff for this workgroup and submit recommended changes to Title 37 to the Joint Committee on Pensions during the fall 2025.

We appreciate being given this opportunity to express our support to the Budget and Tax Committee for this legislation and would request a favorable report on Senate Bill 457.

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# **SB 457\_AFSCME3\_FAV.pdf**

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Position: FAV





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Patrick Moran – President

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**SB 457 – State Retirement and Pension System - Transfers Between Systems –  
Workgroup  
Budget and Taxation Committee  
February 13, 2025**

**Position: FAVORABLE**

AFSCME Council 3 represents 45,000 state, county, and municipal employees across Maryland, many of whom are participants in our local and state pension systems. Our members appreciate having an opportunity to be represented wherever discussions around their pay, benefits, and working conditions are happening, and we are proud to support Senate Bill 457. This bill establishes a workgroup of stakeholders, including a member of the American Federation of State, County, and Municipal Employees (AFSCME), to make recommendations for improving the process when members transfer between the state and local retirement and pension systems.

We urge the committee to provide a favorable report on SB 457. Thank you.



The following states that have collective bargaining for state employees, AK, CA, CT, DC, DE, HI, IL, ME, MN, NE, NJ, NM, NV, OH, OR, PA, MT, RI, WA have a terminal point for negotiations, either binding interest arbitration, the right to strike, or a legislative process. These processes create a level playing field for both parties.

This legislation would create a mutual incentive to compel parties to reach an agreement around collective bargaining negotiations by instilling a binding interest arbitration process, whereby if the two sides cannot come to agreement through negotiations by a specified deadline the proposals.

From the two sides would be presented to a professional, neutral third- party arbitrator – hearing from witnesses and experts, with data and evidence – for consideration of all the facts involved with the purpose of determining which proposal is most appropriate to implement. The choice by the arbitrator would then be considered a binding resolution to be implemented by the Governor and exclusive bargaining representative for whatever appropriations are necessary to implement and fund the memorandum of understanding. The budgetary powers of the Maryland General Assembly remain unaltered.

SB 188 is a strong and positive step toward enhancing fairness, balance, and efficiency, and resolution. It follows a model that is well-established in other states and among Maryland counties. We urge a favorable report.





# **SB457Testimony2025.pdf**

Uploaded by: Michael Jackson

Position: FAV



**MICHAEL A. JACKSON**  
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Budget and Taxation Committee

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Pensions

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***TESTIMONY – SENATE BILL 457***  
***STATE RETIREMENT AND PENSION SYSTEM–***  
***TRANSFERS BETWEEN SYSTEMS – WORKGROUP***  
***BUDGET & TAXATION COMMITTEE***  
***FEBRUARY 13, 2025***

Chair Hettleman and Fellow Committee Members:

Senate Bill 457 is a very straight-forward bill that simply sets up a workgroup in the State Retirement Agency to study the requirements and processes for transfers of member service between State and local retirement pension systems and to make recommendations to improve the process of transfers between systems.

This legislation is a simple means to the end of making our service time transfers more efficient.

**For the reasons listed above, I ask for a favorable report of Senate Bill 457.**