HOUSE BILL 1089

By: Chair, Anne Arundel County Delegation (By Request) (By Request – Orphans' Court Judges)

Introduced and read first time: February 6, 2014 Assigned to: Judiciary

Committee Report: Favorable with amendments House action: Adopted Read second time: March 8, 2014

CHAPTER _____

1 AN ACT concerning

2 Anne Arundel County – Orphans' Court Judges – Salary and Pension

3 FOR the purpose of altering the annual salary of each judge of the Orphans' Court for Anne Arundel County and the Chief Judge of the Orphans' Court for Anne 4 $\mathbf{5}$ Arundel County; providing that the salary and pension for a judge of the 6 Orphans' Court for Anne Arundel County are subject to an annual cost-of-living adjustment; providing for the calculation of the cost-of-living 78 rate: providing that the cost-of-living rate may not exceed a certain percentage; 9 providing for the application of a zero rate under certain circumstances; 10 providing for the calculation of compensation; making a stylistic change; providing for the application of this Act; providing that a certain limitation does 11 12not apply to a certain individual; defining certain terms; and generally relating to the Orphans' Court of Anne Arundel County. 13

- 14 BY repealing and reenacting, with amendments,
- 15 Article Estates and Trusts
- 16 Section 2–108(c)
- 17 Annotated Code of Maryland
- 18 (2011 Replacement Volume and 2013 Supplement)
- 19 BY repealing and reenacting, without amendments,
- 20 Article Estates and Trusts
- 21 Section 2–108(y)(1)
- 22 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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1	(2011 Replacement Volume and 2013 Supplement)
$2 \\ 3 \\ 4 \\ 5 \\ 6$	BY-adding to Article – Estates and Trusts Section 2–108(y)(9) Annotated Code of Maryland (2011 Replacement Volume and 2013 Supplement)
7 8	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
9	Article – Estates and Trusts
10	2–108.
$\begin{array}{c} 11 \\ 12 \end{array}$	(c) (1) Each of the judges of the Court for Anne Arundel County shall receive an annual compensation of:
13	(i) [\$27,000 for calendar year 2007; and
$\begin{array}{c} 14 \\ 15 \end{array}$	(ii)] \$29,000 for calendar year 2008 and each subsequent calendar year THROUGH CALENDAR YEAR 2014; AND
$\begin{array}{c} 16 \\ 17 \end{array}$	(II) \$45,000 <u>\$33,000</u> FOR CALENDAR YEAR 2015 AND EACH SUBSEQUENT CALENDAR YEAR.
18 19	(2) The Chief Judge shall receive an additional [\$500] \$2,000 annually.
20 21 22 23	(3) Each judge shall also receive an expense allowance up to \$150 per month for personal expenses incidental to his <u>THE JUDGE'S</u> duties, to be paid by the Comptroller of Anne Arundel County each month upon presentation of an itemized voucher in accordance with rules and regulations prescribed by the Comptroller.
$\begin{array}{c} 24 \\ 25 \end{array}$	(4) (1) 1. In this paragraph the following words have the meanings indicated.
26 27 28 29 30	2. "Consumer Price Index" means the annual average Consumer Price Index (all urban consumers, United States city average, all items, not seasonally adjusted, 1967 = 100) for the calendar year ending December 31 as published by the U.S. Department of Labor, Bureau of Labor Statistics.
31 32 33	3. "Effective date" means, for the compensation of a judge or Chief Judge, the first day of the month in which the compensation is first paid to the judge or Chief Judge.

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1 (III) THE COMPENSATION PAYABLE UNDER PARAGRAPHS (1) $\mathbf{2}$ AND (2) OF THIS SUBSECTION IS SUBJECT TO AN ANNUAL COST-OF-LIVING 3 **ADJUSTMENT.** 4 (III) AN INITIAL COST-OF-LIVING ADJUSTMENT MAY NOT BE MADE UNTH. THE SECOND JULY 1 AFTER THE DAY PRECEDING THE EFFECTIVE 5 6 DATE. 7 (IV) EXCEPT AS PROVIDED SUBPARAGRAPH (V) OF THIS 8 PARAGRAPH, AND SUBJECT TO SUBPARAGRAPH (VI) OF THIS PARAGRAPH, THE 9 **COST-OF-LIVING RATE USED TO ADJUST COMPENSATION PAYABLE IN A FISCAL** 10 **VEAR SHALL RE CALCHLATED ACCORDING TO THE FOLLOWING FORMULA:** SUBTRACT THE CONSUMER PRICE INDEX FOR 11 1 THE CALENDAR YEAR ENDING DECEMBER 31 IN THE SECOND PRECEDING 12 13 FISCAL YEAR FROM THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 IN THE PRECEDING FISCAL YEAR: AND 14 152 **DIVIDE THE AMOUNT DETERMINED UNDER ITEM 1** OF THIS SUBPARAGRAPH BY THE CONSUMER PRICE INDEX FOR THE CALENDAR 16 YEAR ENDING DECEMBER 31 IN THE SECOND PRECEDING FISCAL YEAR. 17 18 (V) THE COST-OF-LIVING RATE USED TO ADJUST **COMPENSATION PAYABLE IN A FISCAL YEAR MAY NOT EXCEED 3%.** 19 20(VI) FOR ANY FISCAL YEAR IN WHICH THE COST-OF-LIVING 21 RATE DETERMINED UNDER SUBPARAGRAPH (IV) OF THIS PARAGRAPH IS LESS 22 THAN 0%. THE COST-OF-LIVING RATE FOR THAT FISCAL YEAR SHALL BE 0%. 23(VII) THE COMPENSATION PAYABLE UNDER PARAGRAPHS (1) 24 AND (2) OF THIS SUBSECTION SHALL BE ADJUSTED BY: 25MULTIPLYING THE INITIAL RATE OF 1 26**COMPENSATION BY THE COST-OF-LIVING ADJUSTMENT: AND** 272 ADDING THE PRODUCT TO THE COMPENSATION. 28AS ADJUSTED, PAID DURING THE PRIOR YEAR. 29Except in Montgomery, Frederick, Carroll, Talbot, Cecil, Kent, (1)(v) Queen Anne's, Baltimore, Garrett, and Harford counties and Baltimore City, and 30 except as provided in paragraphs (3) and (4) of this subsection, a county shall pay a 31 32 pension, in the same manner as salaries are paid during active service, to each judge of the Orphans' Court who: 33

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1	(i) Has terminated active service;
2	(ii) Has reached 60 years of age; and
3	(iii) Has completed at least two terms of office.
4	(9) (1) 1. In this paragraph the following words
5	HAVE THE MEANINGS INDICATED.
6	2. "Consumer Price Index" has the meaning
0 7	INDICATED IN SUBSECTION (C) OF THIS SECTION.
8	3. "Effective date" means, for the pension of
9	A JUDGE OR CHIEF JUDGE OF THE ORPHANS' COURT FOR ANNE ARUNDEL
10	County, the first day of the month in which the pension is first paid
11	to the judge or Chief Judge.
12	(II) IN ANNE ARUNDEL COUNTY, THE PENSION FOR A
13	JUDGE OF THE ORPHANS' COURT IS SUBJECT TO AN ANNUAL COST-OF-LIVING
14	ADJUSTMENT.
15	(III) AN INITIAL COST-OF-LIVING ADJUSTMENT MAY NOT BE
16	MADE UNTIL THE SECOND JULY 1 AFTER THE DAY PRECEDING THE EFFECTIVE
17	DATE.
10	
18	(IV) EXCEPT AS PROVIDED SUBPARAGRAPH (V) OF THIS
19 20	PARAGRAPH, AND SUBJECT TO SUBPARAGRAPH (VI) OF THIS PARAGRAPH, TO DETERMINE THE COST OF LIVING RATE USED TO ADJUST A PENSION PAYABLE
$\frac{20}{21}$	IN A FISCAL YEAR, THE BOARD OF TRUSTEES OF THE ANNE ARUNDEL COUNTY
$\frac{21}{22}$	RETIREMENT AND PENSION SYSTEM SHALL:
23	1. SUBTRACT THE CONSUMER PRICE INDEX FOR
24	THE CALENDAR YEAR ENDING DECEMBER 31 IN THE SECOND PRECEDING
25	FISCAL YEAR FROM THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR
26	ENDING DECEMBER 31 IN THE PRECEDING FISCAL YEAR; AND
27	2. Divide the Amount Determined under item 1
28	OF THIS SUBPARAGRAPH BY THE CONSUMER PRICE INDEX FOR THE CALENDAR
29	YEAR ENDING DECEMBER 31 IN THE SECOND PRECEDING FISCAL YEAR.
30	(v) The cost-of-living rate used to adjust a
31	PENSION PAYABLE IN A FISCAL YEAR MAY NOT EXCEED 3%.

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1	(vi) For any fiscal year in which the cost-of-living
2	RATE DETERMINED UNDER SUBPARAGRAPH (IV) OF THIS PARAGRAPH IS LESS
3	THAN 0%, THE COST-OF-LIVING RATE FOR THAT FISCAL YEAR SHALL BE 0%.
4	(VII) THE PENSION PAYABLE UNDER PARAGRAPH (1) OF THIS
5	SUBSECTION SHALL BE ADJUSTED BY:
6	1. MULTIPLYING THE INITIAL RATE OF THE PENSION
7	BY THE COST-OF-LIVING ADJUSTMENT; AND
8	2. Adding the product to the pension, as
9	ADJUSTED, PAID DURING THE PRIOR YEAR.
10	SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, §
11	35 of the Maryland Constitution, this Act may not be construed to extend or apply to
12	the salary or compensation of the judges of the Orphans' Court of Anne Arundel
13	County while serving in a term of office beginning before the effective date of this Act,
14	but the provisions of this Act concerning the salary or compensation of the judges of
15	the Orphans' Court of Anne Arundel County shall take effect at the beginning of the
16	next following term of office. This limitation does not apply to an individual appointed
17	or elected after the effective date of this Act to fill out an unexpired term.
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18	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect

19 October 1, 2014.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.