

HOUSE BILL 1518

K4, P4, D4

3lr2983

By: **Delegate Clippinger**

Introduced and read first time: March 4, 2013

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Pension and Retirement Health Benefits – Child Support Enforcement**
3 **Administration Employees – Transferees from Baltimore City State’s**
4 **Attorney’s Office**

5 FOR the purpose of allowing certain former employees of the Office of the State’s
6 Attorney for Baltimore City who were members of the Employees’ Retirement
7 System of the City of Baltimore and who were transferred on or before a certain
8 date to the Employees’ Pension System of the State of Maryland and the State
9 Personnel Management System as employees of the Child Support Enforcement
10 Administration of the Department of Human Resources to elect to remain in the
11 Employees’ Pension System of the State of Maryland or to elect to terminate
12 membership in the Employees’ Pension System and be reinstated as members of
13 the Employees’ Retirement System of the City of Baltimore; requiring a certain
14 individual who makes an election to terminate membership in the Employees’
15 Pension System and be reinstated as a member of the Employees’ Retirement
16 System of the City of Baltimore to complete a certain form and file it with
17 certain boards of trustees on or before a certain date; providing that certain
18 individuals who do not make an election to terminate membership in the
19 Employees’ Pension System within a certain period of time remain members in
20 the Employees’ Pension System; requiring restoration of certain service credit
21 and transfer of certain employer contributions and interest if an individual
22 elects to be reinstated as a member of the Employees’ Retirement System of the
23 City of Baltimore; limiting an individual’s participation in the Employees’
24 Retirement System of the City of Baltimore to a certain employment status and
25 requiring membership in the Employees’ Pension System if there is a certain
26 change in employment status; requiring that the Department of Human
27 Resources provides the City of Baltimore with certain funding on a quarterly
28 basis; providing for the calculation and payment of these funds; requiring the
29 State to reimburse the City of Baltimore, up to a certain amount, for the cost of
30 health insurance premiums for certain retirees from the Child Support
31 Enforcement Administration who elected to be reinstated as members of the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Employees' Retirement System of the City of Baltimore after transfer to the
 2 State; requiring the affected retirees to cover the cost of premiums not
 3 reimbursed by the State; providing that certain individuals are exempt from
 4 membership in the Employees' Pension System as a condition of employment;
 5 and generally relating to the pension and retirement health benefits paid to
 6 former employees of the Office of the State's Attorney for Baltimore City whose
 7 positions were transferred to the Child Support Enforcement Administration of
 8 the Department of Human Resources.

9 BY adding to
 10 Article – Courts and Judicial Proceedings
 11 Section 2–510.1
 12 Annotated Code of Maryland
 13 (2006 Replacement Volume and 2012 Supplement)

14 BY repealing and reenacting, with amendments,
 15 Article – Family Law
 16 Section 10–117
 17 Annotated Code of Maryland
 18 (2012 Replacement Volume)

19 BY repealing and reenacting, with amendments,
 20 Article – State Personnel and Pensions
 21 Section 23–201(b)
 22 Annotated Code of Maryland
 23 (2009 Replacement Volume and 2012 Supplement)

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

26 **Article – Courts and Judicial Proceedings**

27 **2–510.1.**

28 **(A) THIS SECTION APPLIES ONLY TO AN INDIVIDUAL WHO:**

29 **(1) ON OR BEFORE SEPTEMBER 30, 2012, WAS AN EMPLOYEE OF**
 30 **THE OFFICE OF THE STATE'S ATTORNEY FOR BALTIMORE CITY AND WAS A**
 31 **MEMBER OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF**
 32 **BALTIMORE;**

33 **(2) WAS TRANSFERRED ON OR BEFORE OCTOBER 1, 2012, INTO**
 34 **THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND AND THE**
 35 **STATE PERSONNEL MANAGEMENT SYSTEM AS AN EMPLOYEE OF THE CHILD**
 36 **SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN**
 37 **RESOURCES; AND**

1 **(3) ELECTED NOT TO RETIRE FROM THE EMPLOYEES'**
2 **RETIREMENT SYSTEM OF THE CITY OF BALTIMORE BEFORE BEING**
3 **TRANSFERRED TO THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF**
4 **MARYLAND.**

5 **(B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION**
6 **MAY ELECT TO:**

7 **(1) REMAIN A MEMBER OF THE EMPLOYEES' PENSION SYSTEM**
8 **OF THE STATE OF MARYLAND; OR**

9 **(2) TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION**
10 **SYSTEM OF THE STATE OF MARYLAND AND BE REINSTATED AS A MEMBER OF**
11 **THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE.**

12 **(C) (1) IF AN INDIVIDUAL ELECTS TO TERMINATE MEMBERSHIP IN**
13 **THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND AND BE**
14 **REINSTATED AS A MEMBER OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE**
15 **CITY OF BALTIMORE, THE INDIVIDUAL MUST MAKE THE ELECTION IN WRITING**
16 **ON A FORM PROVIDED BY THE BOARD OF TRUSTEES FOR THE STATE**
17 **RETIREMENT AND PENSION SYSTEM AND MUST FILE THE FORM WITH THE**
18 **BOARD OF TRUSTEES FOR THE STATE RETIREMENT AND PENSION SYSTEM AND**
19 **THE BOARD OF TRUSTEES FOR THE EMPLOYEES' RETIREMENT SYSTEM OF THE**
20 **CITY OF BALTIMORE ON OR BEFORE SEPTEMBER 30, 2013.**

21 **(2) AN INDIVIDUAL'S ELECTION UNDER THIS SUBSECTION TO**
22 **TERMINATE MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM OF THE STATE**
23 **OF MARYLAND IS A ONE-TIME, IRREVOCABLE ELECTION.**

24 **(3) AN INDIVIDUAL WHO DOES NOT ELECT TO TERMINATE**
25 **MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF**
26 **MARYLAND ON OR BEFORE SEPTEMBER 30, 2013, REMAINS A MEMBER OF THE**
27 **EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND.**

28 **(D) (1) IF AN INDIVIDUAL ELECTS TO BE REINSTATED AS A MEMBER**
29 **OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE:**

30 **(i) THE INDIVIDUAL SHALL BE ENTITLED TO:**

31 **1. RESTORATION OF ANY SERVICE CREDIT TO**
32 **WHICH THE INDIVIDUAL WAS ENTITLED BEFORE THE EMPLOYEE BECAME A**

1 MEMBER OF THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND,
2 WHETHER OR NOT THE INDIVIDUAL WAS VESTED; AND

3 2. ANY SERVICE CREDIT THE INDIVIDUAL EARNED
4 IN THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND;

5 (II) ALL OF THE EMPLOYER CONTRIBUTIONS AND INTEREST
6 THAT WERE TRANSFERRED FOR THAT INDIVIDUAL BY THE CITY OF BALTIMORE
7 TO THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND SHALL BE
8 TRANSFERRED TO THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF
9 BALTIMORE; AND

10 (III) ALL OF THE EMPLOYER CONTRIBUTIONS ON BEHALF OF
11 THE INDIVIDUAL WHILE THE INDIVIDUAL WAS A MEMBER OF THE EMPLOYEES'
12 PENSION SYSTEM OF THE STATE OF MARYLAND SHALL BE TRANSFERRED TO
13 THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE.

14 (2) IF AN INDIVIDUAL ELECTS TO BE REINSTATED AS A MEMBER
15 OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE, THE
16 ELECTION REMAINS IN EFFECT ONLY AS LONG AS THE INDIVIDUAL REMAINS
17 EMPLOYED BY THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE
18 DEPARTMENT OF HUMAN RESOURCES OR ANOTHER POSITION WITHIN
19 BALTIMORE CITY THAT QUALIFIES THE INDIVIDUAL FOR MEMBERSHIP IN THE
20 EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE.

21 (3) IF THE INDIVIDUAL TRANSFERS TO ANOTHER POSITION IN
22 STATE SERVICE, THE INDIVIDUAL SHALL BECOME A MEMBER OF THE
23 EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND.

24 (E) (1) UNTIL THE DATE THAT THE LAST INDIVIDUAL WHO ELECTS TO
25 BE REINSTATED AS A MEMBER OF THE EMPLOYEES' RETIREMENT SYSTEM OF
26 THE CITY OF BALTIMORE UNDER SUBSECTION (B)(2) OF THIS SECTION LEAVES
27 SERVICE IN THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE
28 DEPARTMENT OF HUMAN RESOURCES, THE DEPARTMENT OF HUMAN
29 RESOURCES SHALL PAY ON A QUARTERLY BASIS TO THE CITY OF BALTIMORE
30 THE EMPLOYER CONTRIBUTION RATE DETERMINED BY THE DEPARTMENT OF
31 HUMAN RESOURCES UNDER PARAGRAPH (3) OF THIS SUBSECTION MULTIPLIED
32 BY THE TOTAL SALARIES FOR THAT QUARTER OF THE INDIVIDUALS WHO
33 ELECTED TO BE REINSTATED AS MEMBERS OF THE EMPLOYEES' RETIREMENT
34 SYSTEM OF THE CITY OF BALTIMORE AND REMAIN EMPLOYED BY THE CHILD
35 SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN
36 RESOURCES.

1 **(2) ON OR BEFORE MAY 15 OF EACH YEAR, THE BOARD OF**
2 **TRUSTEES FOR THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF**
3 **BALTIMORE SHALL CERTIFY TO THE DEPARTMENT OF HUMAN RESOURCES THE**
4 **EMPLOYER CONTRIBUTION RATE FOR PENSION BENEFITS DETERMINED FOR**
5 **THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE FOR THE**
6 **NEXT FISCAL YEAR.**

7 **(3) IF THE EMPLOYER CONTRIBUTION RATE CERTIFIED UNDER**
8 **PARAGRAPH (2) OF THIS SUBSECTION IS GREATER THAN THE EMPLOYER**
9 **CONTRIBUTION RATE PAID BY THE STATE FOR STATE EMPLOYEES UNDER THE**
10 **STATE PERSONNEL MANAGEMENT SYSTEM, THE DEPARTMENT OF HUMAN**
11 **RESOURCES MAY LIMIT THE EMPLOYER CONTRIBUTION RATE TO THE**
12 **EMPLOYER CONTRIBUTION RATE PAID BY THE STATE FOR STATE EMPLOYEES**
13 **UNDER THE STATE PERSONNEL MANAGEMENT SYSTEM.**

14 **(F) (1) AN INDIVIDUAL WHO ELECTED TO BE REINSTATED AS A**
15 **MEMBER OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF**
16 **BALTIMORE UNDER SUBSECTION (B)(2) OF THIS SECTION, AT THE TIME OF THE**
17 **INDIVIDUAL'S RETIREMENT FROM THE EMPLOYEES' RETIREMENT SYSTEM OF**
18 **THE CITY OF BALTIMORE, MAY:**

19 **(I) ENROLL IN THE HEALTH INSURANCE BENEFIT OPTION**
20 **PROVIDED UNDER THAT SYSTEM; AND**

21 **(II) ONCE ENROLLED, ON RETIREMENT FROM THE**
22 **EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF BALTIMORE, RECEIVE THE**
23 **RETIREMENT HEALTH BENEFITS PROVIDED BY THE CITY OF BALTIMORE.**

24 **(2) ON OR BEFORE MAY 15 OF EACH YEAR, THE PERSONNEL**
25 **OFFICER FOR THE CITY OF BALTIMORE SHALL CERTIFY TO THE DEPARTMENT**
26 **OF HUMAN RESOURCES THE CONTRIBUTION RATE FOR HEALTH BENEFITS**
27 **DETERMINED FOR THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF**
28 **BALTIMORE FOR THE NEXT FISCAL YEAR.**

29 **(3) THE DEPARTMENT OF HUMAN RESOURCES SHALL PAY ON A**
30 **QUARTERLY BASIS TO THE CITY OF BALTIMORE AN AMOUNT EQUAL TO THE**
31 **EMPLOYER'S CONTRIBUTION FOR THOSE HEALTH BENEFITS.**

32 **(4) IF THE EMPLOYER CONTRIBUTION RATE CERTIFIED UNDER**
33 **PARAGRAPH (2) OF THIS SUBSECTION IS GREATER THAN THE EMPLOYER**
34 **CONTRIBUTION RATE PAID BY THE STATE FOR STATE RETIREES UNDER THE**
35 **STATE PERSONNEL MANAGEMENT SYSTEM:**

1 **(I) THE DEPARTMENT OF HUMAN RESOURCES MAY LIMIT**
2 **THE EMPLOYER CONTRIBUTION RATE TO THE EMPLOYER CONTRIBUTION RATE**
3 **PAID BY THE STATE FOR STATE EMPLOYEES UNDER THE STATE PERSONNEL**
4 **MANAGEMENT SYSTEM; AND**

5 **(II) THE RETIREE IS RESPONSIBLE FOR PAYMENT OF THE**
6 **BALANCE OF ANY MONTHLY PREMIUM COST TO THE CITY OF BALTIMORE NOT**
7 **REIMBURSED BY THE STATE.**

8 **Article – Family Law**

9 10–117.

10 (a) A county or circuit court with a local support enforcement office may
11 request that the responsibility for support enforcement be transferred to the
12 Administration.

13 (b) A request for transfer of responsibility under this section must be made
14 to the Department of Human Resources by September 1 of the year preceding the
15 fiscal year for which responsibility will be transferred.

16 (c) Any personnel of the local support enforcement office involved in a
17 transfer under this section shall be in the State Personnel Management System and
18 shall be placed in the position that is comparable to or most closely compares to their
19 former position, without further examination or qualification. These employees shall
20 be credited with the years of service with the jurisdiction for purposes of seniority,
21 including the determination of leave accumulation and the determination of layoff
22 rights under Title 11, Subtitle 2 of the State Personnel and Pensions Article, and,
23 except as provided under [§ 2–510] §§ 2–510 AND 2–510.1 of the Courts Article, shall
24 become members of the Employees’ Pension System of the State of Maryland. All
25 previous pension contributions shall be transferred in accordance with Title 37 of the
26 State Personnel and Pensions Article. These employees shall receive no diminution in
27 compensation or accumulated leave solely as a result of the transfer. The salary grade
28 of these employees shall be determined using a salary based on the same hourly rate
29 of salary of the employee at the time of transfer. Annual leave in excess of that which
30 may be retained annually in the State Personnel Management System may be
31 retained at the time of transfer if that accumulation was permitted by the former
32 employer.

33 **Article – State Personnel and Pensions**

34 23–201.

35 (b) Sections 23–203 through 23–205 of this subtitle do not apply to:

1 (1) an individual who is or is entitled to be a member of any State
2 system other than the Employees' Pension System;

3 (2) a contractual, emergency, or temporary extra employee;

4 (3) an individual who is employed under a federal public service
5 employment program;

6 (4) an assessor who is a member of a retirement or pension system
7 operated by a political subdivision of the State;

8 (5) an employee of a local board of elections who chooses to stay in a
9 local merit system under § 2–207 of the Election Law Article;

10 (6) a nonclerical or nonprofessional employee of the Baltimore City
11 Community College who:

12 (i) was an employee of the New Community College of
13 Baltimore during the 1989–1990 academic year;

14 (ii) was employed by the New Community College of Baltimore
15 on or before December 31, 1990, as a “Class A” member of the Baltimore City
16 Retirement Plan; and

17 (iii) elected to remain a member of the Baltimore City
18 Retirement Plan;

19 (7) an employee who is not a member of a State system and who
20 accepts a position for which the budgeted hours per fiscal year are less than 500 hours
21 in the first fiscal year of employment;

22 (8) an employee of the Domestic Relations Division of the Anne
23 Arundel County Circuit Court who:

24 (i) was transferred on or after July 1, 2002, into the State
25 Personnel Management System as an employee of the Child Support Enforcement
26 Administration of the Maryland Department of Human Resources;

27 (ii) elected, under § 2–510 of the Courts Article, to remain as a
28 participant in the Anne Arundel County Retirement and Pension System; and

29 (iii) remains as an employee of the Child Support Enforcement
30 Administration of the Maryland Department of Human Resources or an attorney
31 employed to represent the Child Support Enforcement Administration;

1 (9) a nonfaculty employee of the Baltimore City Community College
2 who is eligible to participate and elects to participate in an optional retirement
3 program under Title 30 of this article;

4 (10) an appointed or elected official who on or after July 1, 2007, is a
5 member of any other State or local retirement or pension system as defined under
6 Title 37 of this article; [or]

7 (11) the Director of the Department of Social Services in Montgomery
8 County who:

9 (i) was transferred into the State Personnel Management
10 System as an employee of the Social Services Administration of the Maryland
11 Department of Human Resources;

12 (ii) elected, under § 3–403.1 of the Human Services Article, to
13 remain as a participant in the Montgomery County Employees’ Retirement System;
14 and

15 (iii) remains as an employee of the Social Services
16 Administration of the Maryland Department of Human Resources; OR

17 **(12) AN EMPLOYEE OF THE OFFICE OF THE STATE’S ATTORNEY**
18 **FOR BALTIMORE CITY WHO:**

19 **(I) WAS TRANSFERRED ON OR AFTER OCTOBER 1, 2012,**
20 **INTO THE STATE PERSONNEL MANAGEMENT SYSTEM AS AN EMPLOYEE OF THE**
21 **CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE MARYLAND**
22 **DEPARTMENT OF HUMAN RESOURCES;**

23 **(II) ELECTED, UNDER § 2–510.1 OF THE COURTS ARTICLE,**
24 **TO BE REINSTATED AS A MEMBER OF THE EMPLOYEES’ RETIREMENT SYSTEM**
25 **OF THE CITY OF BALTIMORE; AND**

26 **(III) REMAINS AS AN EMPLOYEE OF THE CHILD SUPPORT**
27 **ENFORCEMENT ADMINISTRATION OF THE MARYLAND DEPARTMENT OF**
28 **HUMAN RESOURCES OR AN ATTORNEY EMPLOYED TO REPRESENT THE CHILD**
29 **SUPPORT ENFORCEMENT ADMINISTRATION.**

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2013.