

HOUSE BILL 655

K4

4lr2511

By: **Delegates Barkley, Arora, Bates, Bobo, Braveboy, Bromwell, Clagett, Cullison, Frick, Gutierrez, Hucker, Ivey, Kramer, A. Miller, W. Miller, Mizeur, S. Robinson, Serafini, Simmons, and Stein**

Introduced and read first time: January 31, 2014

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Member Contribution Rate –**
3 **Reduction**

4 FOR the purpose of reducing the rate of member contributions for certain members of
5 the Employees' Pension System, Teachers' Pension System, and Law
6 Enforcement Officers' Pension System; and generally relating to a reduction in
7 the rate of member contributions for certain members of the State Retirement
8 and Pension System.

9 BY repealing and reenacting, with amendments,
10 Article – State Personnel and Pensions
11 Section 23–212(c) and (d) and 26–204
12 Annotated Code of Maryland
13 (2009 Replacement Volume and 2013 Supplement)

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

16 **Article – State Personnel and Pensions**

17 23–212.

18 (c) The contribution rate of a member who is subject to the Alternate
19 Contributory Pension Selection under Part III of this subtitle is:

20 (1) 3% of the member's earnable compensation received from July 1,
21 2006 to June 30, 2007, both inclusive;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) 4% of the member's earnable compensation received from July 1,
2 2007 to June 30, 2008, both inclusive;

3 (3) 5% of the member's earnable compensation received from July 1,
4 2008 to June 30, 2011, both inclusive; [and]

5 (4) 7% of the member's earnable compensation received [on or after]
6 **FROM July 1, 2011, TO JUNE 30, 2014, BOTH INCLUSIVE; AND**

7 **(5) 6% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
8 **ON OR AFTER JULY 1, 2014.**

9 (d) The contribution rate of a member who is subject to the reformed
10 contributory pension benefit under Part IV of this subtitle is:

11 **(1) 7% of the member's earnable compensation RECEIVED FROM**
12 **JULY 1, 2011, TO JUNE 30, 2014, BOTH INCLUSIVE; AND**

13 **(2) 6% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
14 **ON OR AFTER JULY 1, 2014.**

15 26–204.

16 (a) Except as provided in subsection (b) of this section, a member's
17 contribution rate is:

18 (1) 4% of the member's earnable compensation received before July 1,
19 2011;

20 (2) 6% of the member's earnable compensation received from July 1,
21 2011 to June 30, 2012, both inclusive; [and]

22 (3) 7% of the member's earnable compensation received [on or after]
23 **FROM July 1, 2012, TO JUNE 30, 2014, BOTH INCLUSIVE; AND**

24 **(4) 6% OF THE MEMBER'S EARNABLE COMPENSATION RECEIVED**
25 **ON OR AFTER JULY 1, 2014.**

26 (b) (1) This subsection applies only to a member who:

27 (i) transferred to the Law Enforcement Officers' Pension
28 System from the Employees' Retirement System on or after January 1, 2001, and on or
29 before December 31, 2004; or

1 (ii) 1. transferred to the Law Enforcement Officers' Pension
2 System from the Employees' Retirement System on or before December 31, 2000; and

3 2. did not elect to participate in the Law Enforcement
4 Officers' Modified Pension Benefit on or before December 31, 2000 as provided in §
5 26–211 of this subtitle.

6 (2) The contribution rate for a member who has transferred from the
7 Employees' Retirement System is the rate set under:

8 (i) Section 22–214(a) of this article, for a member who had
9 elected Selection A (Additional member contributions) under § 22–219 of this article;
10 or

11 (ii) Section 22–214(b) of this article, for a member who had
12 elected Selection B (Limited cost-of-living adjustment) under § 22–220 of this article.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2014.