P6 2lr2739 CF 2lr2740

By: Senator Carozza

Introduced and read first time: February 7, 2022

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 Law Enforcemen	t Officers'	Pension	System -	- Membershi	p - 9 - 1 - 1	Specialists
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- 3 FOR the purpose of authorizing certain 9-1-1 specialists to become members of the Law
- 4 Enforcement Officers' Pension System as employees of a participating governmental
- 5 unit; and generally relating to membership in the Law Enforcement Officers' Pension
- 6 System.
- 7 BY repealing and reenacting, with amendments,
- 8 Article State Personnel and Pensions
- 9 Section 31–2A–01, 31–2A–03, 31–2A–04, and 31–2A–05
- 10 Annotated Code of Maryland
- 11 (2015 Replacement Volume and 2021 Supplement)
- 12 BY repealing and reenacting, without amendments,
- 13 Article State Personnel and Pensions
- 14 Section 31–2A–02 and 31–2A–03.1
- 15 Annotated Code of Maryland
- 16 (2015 Replacement Volume and 2021 Supplement)
- 17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 18 That the Laws of Maryland read as follows:

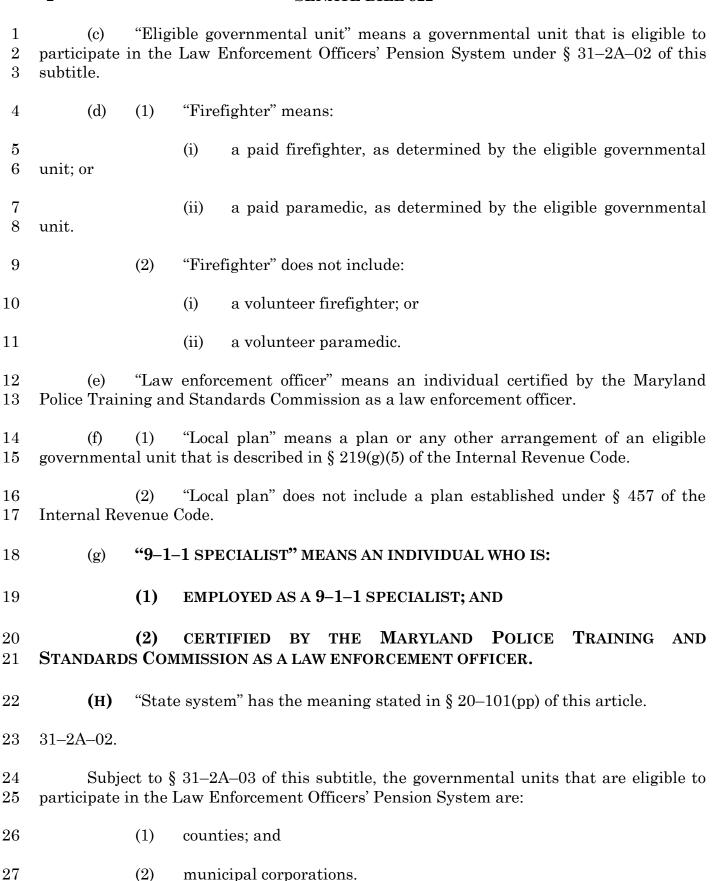
19 Article – State Personnel and Pensions

- 20 31–2A–01.
- 21 (a) In this subtitle the following words have the meanings indicated.
- (b) "Effective date" means the date that an eligible governmental unit commenced
- 23 or commences participation in the Law Enforcement Officers' Pension System.



31-2A-03.

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- 1 (a) Subject to subsection (b) of this section, the legislative body of an eligible 2 governmental unit may approve participation by its law enforcement officers, **9–1–1** 3 **SPECIALISTS**, or firefighters in the Law Enforcement Officers' Pension System if:
- 4 (1) the legislative body adopts a resolution in the form prescribed by the 5 Board of Trustees; and
- 6 (2) the eligible governmental unit participates in a State system or 7 operates a local plan, only if:
- 8 (i) at least 60% of the law enforcement officers, 9-1-1 9 SPECIALISTS, or firefighters of the eligible governmental unit petition to become members 10 of the Law Enforcement Officers' Pension System;
- 11 (ii) the eligible governmental unit satisfies the requirements in 12 subsection (b) of this section; and
- 13 (iii) the legislative body approves participation of its law enforcement 14 officers, **9–1–1 SPECIALISTS**, or firefighters in lieu of participation in the State system or 15 local plan.
- 16 (b) An eligible governmental unit that operates a local plan or participates in a 17 State system may approve participation of its law enforcement officers, **9–1–1** 18 **SPECIALISTS**, or firefighters in the Law Enforcement Officers' Pension System only if:
- 19 (1) the State system or local plan of the eligible governmental unit requires 20 member contributions at the same rate as the member contribution rate that would be 21 applicable to the law enforcement officers, **9–1–1 SPECIALISTS**, or firefighters of the 22 eligible governmental unit in the Law Enforcement Officers' Pension System; or
- 23 (2) the eligible governmental unit:
- 24 (i) does not provide for the employer pickup of member 25 contributions to the State system or local plan within the meaning of § 414(h)(2) of the 26 Internal Revenue Code; and
- 27 (ii) certifies that it will not become an approved employer under § 28 21–313 of this article on or after the effective date of participation.
- 29 (c) (1) If an eligible governmental unit does not satisfy the requirements 30 under subsection (b) of this section, the eligible governmental unit may submit a request to 31 the Board of Trustees to participate in the Law Enforcement Officers' Pension System.

- 1 (2) The Board of Trustees shall consider a request made under paragraph 2 (1) of this subsection and determine whether any legislation is necessary to allow the 3 eligible governmental unit to participate in the Law Enforcement Officers' Pension System.
- 4 (3) The Board of Trustees shall make recommendations to the Joint 5 Committee on Pensions regarding any legislation that it determines is necessary to allow 6 the eligible governmental unit to participate in the Law Enforcement Officers' Pension 7 System.
- 8 31-2A-03.1.
- 9 (a) Except as provided in subsection (b) of this section, the effective date of participation for an eligible governmental unit is July 1 of the year following the fiscal year in which the eligible governmental unit elects to participate in the Law Enforcement Officers' Pension System.
- 13 (b) If an eligible governmental unit does not provide the Board of Trustees with 14 the necessary documentation to join the Law Enforcement Officers' Pension System on or 15 before the effective date for the eligible governmental unit, the effective date shall be 16 postponed until July 1 of the second year following the fiscal year in which the eligible 17 governmental unit elects to participate in the Law Enforcement Officers' Pension System.
- 18 31–2A–04.
- If a law enforcement officer, firefighter, **9–1–1 SPECIALIST,** or paramedic joins the Law Enforcement Officers' Pension System on the effective date, the member is entitled to credit for employment with the participating governmental unit before the effective date.
- 22 31–2A–05.
- 23 (a) This section applies only to a local plan that is a qualified plan under § 401(a) 24 of the Internal Revenue Code and provides a defined benefit to its participants.
- 25 (b) If an eligible governmental unit approves participation in the Law 26 Enforcement Officers' Pension System, the operation of the local plan or State system with 27 respect to the law enforcement officers, firefighters, 9–1–1 SPECIALISTS, or paramedics terminates on the effective date.
- (c) (1) On the effective date:
- 30 (i) the assets to the credit of the local plan or State system that 31 relate to the law enforcement officers, firefighters, **9–1–1 SPECIALISTS**, or paramedics who 32 elect to become members shall be transferred to the Law Enforcement Officers' Pension 33 System; and

- 1 (ii) the trustee or other administrative head of the local plan or State 2 system shall certify the proportion of the funds of the local plan or State system that 3 represents the accumulated contributions of the members as of that date.
- 4 (2) The accumulated contributions shall be credited to the respective 5 annuity savings accounts of the members in the Law Enforcement Officers' Pension 6 System.
- 7 (3) The balance of the funds transferred to the Law Enforcement Officers' 8 Pension System shall be offset against the special accrued liability to be funded by the 9 participating governmental unit as provided by § 21–306.1(d) of this article.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2022.