

HOUSE JOINT RESOLUTION 1

K4, P5

4lr0729

(PRE-FILED)

By: **Delegate Serafini**

Requested: October 25, 2013

Introduced and read first time: January 8, 2014

Assigned to: Rules and Executive Nominations

HOUSE JOINT RESOLUTION

1 A House Joint Resolution concerning

2 **General Assembly Compensation Commission – Recommendations –**
3 **Employees’ Pension System**

4 FOR the purpose of rejecting, in accordance with the provisions of Article III, Section
5 15 of the Maryland Constitution, items included in the Resolution of the
6 General Assembly Compensation Commission submitted and transmitted to the
7 General Assembly during the regular session of the General Assembly in 2014
8 relating to salaries for all members of the General Assembly, the per diem
9 allowance for meals, reimbursement for lodging expenses, travel allowances and
10 reimbursements, and benefit programs and relating to retirement benefits,
11 retiree health benefits, and the forfeiture of retirement benefits for members of
12 the Legislative Pension Plan; providing that items of the Resolution of the
13 General Assembly Compensation Commission submitted and transmitted to the
14 General Assembly during the regular session of the General Assembly in 2014
15 relating to salaries for all members of the General Assembly, the per diem
16 allowance for meals, reimbursement for lodging expenses, travel allowances and
17 reimbursements, and benefit programs shall be void and provisions related to
18 salaries, allowances, reimbursements, and benefit programs shall be as
19 provided in the Resolution of the General Assembly Compensation Commission
20 dated January 5, 2010, and transmitted to the General Assembly on January
21 12, 2010, as amended by Joint Resolution 4 of 2010; providing that items of the
22 Resolution of the General Assembly Compensation Commission submitted and
23 transmitted to the General Assembly during the regular session of the General
24 Assembly in 2014 relating to retirement benefits, retiree health benefits, and
25 the forfeiture of retirement benefits for members of the Legislative Pension Plan
26 shall be void and provisions related to retirement benefits, retiree health
27 benefits, and the forfeiture of retirement benefits shall be as provided in the
28 Resolution of the General Assembly Compensation Commission dated January
29 5, 2010, and transmitted to the General Assembly on January 12, 2010, as
30 amended by Joint Resolution 4 of 2010, except that provisions related to
31 retirement benefits in the Legislative Pension Plan shall be amended as



1 provided in this Act; requiring certain members of the Legislative Pension Plan
2 to participate in the Employees' Pension System of the State Retirement and
3 Pension System; prohibiting certain members of the Legislative Pension Plan
4 from transferring certain service credit to the Employees' Pension System;
5 authorizing certain members of the Legislative Pension Plan to purchase or
6 transfer certain service credit or to receive a return of certain contributions plus
7 interest; prohibiting certain members of the Legislative Pension Plan from
8 joining the Employees' Pension System; and generally relating to the Resolution
9 of the General Assembly Compensation Commission submitted and transmitted
10 to the General Assembly during the regular session of the General Assembly in
11 2014.

12 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

13 (a) In accordance with the authority granted under Article III, Section 15 of
14 the Maryland Constitution, the General Assembly rejects the recommendations
15 included in the Resolution of the General Assembly Compensation Commission
16 submitted and transmitted to the General Assembly during the regular session of the
17 General Assembly in 2014 relating to salaries for all members of the General
18 Assembly, the per diem allowance for meals, reimbursement for lodging expenses,
19 travel allowances and reimbursements, and benefit programs; and

20 (b) In accordance with the authority granted under Article III, Section 15 of
21 the Maryland Constitution, the General Assembly rejects the recommendations
22 included in the Resolution of the General Assembly Compensation Commission
23 submitted and transmitted to the General Assembly during the regular session of the
24 General Assembly in 2014 relating to retirement benefits, retiree health benefits, and
25 the forfeiture of retirement benefits for members of the Legislative Pension Plan; and

26 (c) Items of the Resolution of the General Assembly Compensation
27 Commission submitted and transmitted to the General Assembly during the regular
28 session of the General Assembly in 2014 relating to salaries for all members of the
29 General Assembly, the per diem allowance for meals, reimbursement for lodging
30 expenses, travel allowances and reimbursements, and benefit programs shall be void
31 and provisions related to salaries, allowances, reimbursements, and benefit programs
32 shall be as provided in the Resolution of the General Assembly Compensation
33 Commission dated January 5, 2010, and transmitted to the General Assembly on
34 January 12, 2010, as amended by Joint Resolution 4 of 2010; and

35 (d) Items of the Resolution of the General Assembly Compensation
36 Commission submitted and transmitted to the General Assembly during the regular
37 session of the General Assembly in 2014 relating to retirement benefits, retiree health
38 benefits, and the forfeiture of retirement benefits for members of the Legislative
39 Pension Plan shall be void and provisions related to retirement benefits, retiree health
40 benefits, and the forfeiture of retirement benefits shall be as provided in the
41 Resolution of the General Assembly Compensation Commission dated January 5,
42 2010, and transmitted to the General Assembly on January 12, 2010, as amended by

1 Joint Resolution 4 of 2010, except that provisions related to retirement benefits for
2 members of the Legislative Pension Plan shall be amended as provided in subsection
3 (e) of this resolution; and

4 (e) In accordance with the authority granted under Article III, Section 15 of
5 the Maryland Constitution, the General Assembly recommends amending Sections 1(j)
6 and (p) and 7 of Item 3A of the Resolution of the General Assembly Compensation
7 Commission dated January 5, 2010, and transmitted to the General Assembly on
8 January 12, 2010, as amended by Joint Resolution 4 of 2010, to read as follows:

9 “Item 3A.

10 1. Definitions.

11 (j) Member.

12 (1) “Member” means:

13 (i) A legislator who elects to join the Legislative Pension Plan
14 during the legislator’s term of office before January 14, 2015; and

15 (ii) A former legislator who:

16 1. Elected to join the Legislative Pension Plan during
17 the legislator’s term of office;

18 2. Has not withdrawn the member’s accumulated
19 contributions; and

20 3. Is not currently receiving a retirement allowance.

21 (2) “Member” includes, for purposes of determining eligibility to
22 receive a retirement allowance from the Legislative Pension Plan, a legislator who:

23 (i) Has earned 8 or more years of creditable service in the
24 Legislative Pension Plan before January 14, 2015, or has purchased service credit in
25 the Legislative Pension Plan as provided in § 6(d) of this Item 3A;

26 (ii) Has joined the Employees’ Pension System under Title 23 of
27 the State Personnel and Pensions Article; and

28 (iii) Has not transferred creditable service in the Legislative
29 Pension Plan to the Employees’ Pension System in accordance with Title 37 of the
30 State Personnel and Pensions Article.

31 (3) “Member” does not include a legislator who:

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1 (i) Has no creditable service before January 14, 2015; and

2 (ii) Has joined the Employees' Pension System under Title 23 of
3 the State Personnel and Pensions Article.

4 (p) Retiree. "Retiree" means an individual who:

5 (1) Is eligible for retirement;

6 (2) Has applied to receive a retirement allowance; and

7 (3) Prior to retirement has earned creditable service before January
8 14, 2015.

9 7. Service retirement allowance – No service prior to January 1, 1971.

10 (a) Application of section.

11 (1) This section applies only to a member who has no creditable
12 service before January 1, 1971.

13 (2) This section does not apply to a legislator who has no creditable
14 service before January 14, 2015.

15 (b) Eligibility for retirement. Except as provided in subsection (c) of this
16 section, a member may retire, if on or before the date of retirement, the member:

17 (1) Is not currently serving in the General Assembly;

18 (2) Has at least 8 years of creditable service;

19 (3) Has attained age 60; and

20 (4) Completes and submits an application for retirement to the Board
21 of Trustees stating the date on which the member desires to retire.

22 (c) Exception for member who joins the Judges' Retirement System. A
23 member who resigns from the General Assembly prior to the expiration of the
24 member's term of office to accept a position requiring membership in the Judges'
25 Retirement System is entitled to a retirement allowance under this Item 3A regardless
26 of years of service.

27 (d) Service retirement allowance – In general. Except as provided in
28 subsection (e) of this section, on retirement, a member shall receive a service
29 retirement allowance equal to 3% of the salary payable to a current legislator in the
30 General Assembly multiplied times the number of years of creditable service of the

1 member, but in no event shall the retirement allowance exceed two-thirds of the
2 salary payable to a current legislator in the General Assembly.

3 (e) Employees' Pension System.

4 (1) Except as provided in paragraph (5) of this subsection, on January
5 14, 2015, a legislator shall join the Employees' Pension System as provided under Title
6 23 of the State Personnel and Pensions Article.

7 (2) A legislator's membership in the Legislative Pension Plan shall
8 cease when the legislator joins the Employees' Pension System on January 14, 2015.

9 (3) (i) A legislator who has earned 8 or more years of creditable
10 service in the Legislative Pension Plan shall receive a retirement allowance in
11 accordance with the provisions of the Legislative Pension Plan based on the creditable
12 service the legislator accrued in the Legislative Pension Plan before joining the
13 Employees' Pension System.

14 (ii) A legislator who has earned 8 or more years of creditable
15 service in the Legislative Pension Plan may not transfer any service credit earned in
16 the Legislative Pension Plan to the Employees' Pension System.

17 (4) A legislator who has earned less than 8 years of creditable service
18 in the Legislative Pension Plan at the time the legislator joins the Employees' Pension
19 System may:

20 (i) Purchase service credit in the Legislative Pension Plan as
21 provided in § 6(d) of this Item 3A;

22 (ii) Request a return of the member contributions plus interest
23 that the legislator has made prior to joining the Employees' Pension System; or

24 (iii) Transfer the legislator's creditable service in the Legislative
25 Pension Plan to the Employees' Pension System in accordance with Title 37 of the
26 State Personnel and Pensions Article.

27 (5) A legislator who has earned 22 years and 3 months of creditable
28 service may not join the Employees' Pension System."; and be it further

29 RESOLVED, That a copy of this Resolution be forwarded by the Department of
30 Legislative Services to the Honorable Martin O'Malley, Governor of Maryland; the
31 Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and the
32 Honorable Michael E. Busch, Speaker of the House of Delegates.