HOUSE BILL 815

K4 7lr1427 CF SB 401

By: Delegate B. Barnes (Chair, Joint Committee on Pensions)

Introduced and read first time: February 3, 2017

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 10, 2017

CHAPTER

1 AN ACT concerning

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State Retirement and Pension System - Membership Elections

FOR the purpose of limiting optional membership in the Employees' Pension System to certain individuals who have not previously been a member of a certain pension and retirement program or who have not had certain previous employment; requiring certain elections for membership in the Employees' Pension System to be made at the commencement of employment; requiring the Secretary of State Police to be a member of the State Police Retirement System as a condition of employment; requiring an individual who is employed by a participating governmental unit as a local detention center officer on or after a certain date to elect membership in the Correctional Officers' Retirement System before a certain event; requiring an election to join the Correctional Officers' Retirement System to be made in a certain manner; providing that an election to join the Correctional Officers' Retirement System is a one-time, irrevocable election; requiring certain individuals who are employed by a participating governmental unit on or after a certain date to elect membership in the Law Enforcement Officers' Pension System before a certain event; requiring a certain election to join the Law Enforcement Officers' Pension System to be made in a certain manner; providing that an election to join the Law Enforcement Officers' Pension System is a one-time, irrevocable election; altering the eligibility for participation in the Optional Retirement Program; requiring an election to participate in the Optional Retirement Program to be made at the commencement of employment; prohibiting certain individuals from participating in the Optional Retirement Program; providing that an election to join the Optional Retirement Program is a one-time, irrevocable election; requiring an employee who is participating in the Optional Retirement Program to participate in the State

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 Retirement and Pension System under certain circumstances; establishing 2 requirements for employees of an eligible governmental unit to participate in the 3 Employees' Pension System; authorizing an eligible governmental unit to operate a 4 certain local plan after the effective date of participation in the Employees' Pension 5 System under certain circumstances; establishing requirements for employees of an 6 eligible governmental unit to participate in the Law Enforcement Officers' Pension 7 System; authorizing an eligible governmental unit to operate a certain local plan 8 after the effective date of participation in the Law Enforcement Officers' Pension 9 System under certain circumstances; establishing requirements for employees of an 10 eligible governmental unit to participate in the Correctional Officers' Retirement 11 System; authorizing an eligible governmental unit to operate a certain local plan 12 after the effective date of participation in the Correctional Officers' Retirement 13 System under certain circumstances; authorizing an eligible governmental unit that 14 does not satisfy certain requirements to participate in certain State systems to 15 submit a certain request to the Board of Trustees for the State Retirement and Pension System; requiring the Board of Trustees to consider certain requests and 16 17 make certain recommendations to the Joint Committee on Pensions; establishing 18 certain limitations on the withdrawal of a participating governmental unit from the 19 State Retirement and Pension System; making technical changes; making 20 conforming changes; altering certain definitions; and generally relating to the 21 election of membership in the State Retirement and Pension System.

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    BY repealing and reenacting, without amendments,
23
          Article – State Personnel and Pensions
24
          Section 20–101(a) and (pp), 31–101(a), 31–2A–01(a), 31–2B–01(a), and 31–301(a)
25
          Annotated Code of Maryland
26
          (2015 Replacement Volume and 2016 Supplement)
27
    BY repealing and reenacting, with amendments,
28
          Article – State Personnel and Pensions
29
          Section 23–204, 24–202, 24–203, 25–202, 26–202, 30–301, 30–302, 30–303, 30–305,
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                 30-307, 31-101(h), 31-102, 31-113, 31-2A-01(f), 31-2A-05, 31-2B-01(e),
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                 31–2B–05, 31–301(d), and 31–302
32
          Annotated Code of Maryland
33
          (2015 Replacement Volume and 2016 Supplement)
34
    BY repealing
35
          Article – State Personnel and Pensions
36
          Section 31–109, 31–2A–03, and 31–2B–03
37
          Annotated Code of Maryland
38
          (2015 Replacement Volume and 2016 Supplement)
39
    BY adding to
40
          Article – State Personnel and Pensions
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Section 31–109, 31–2A–03, and 31–2B–03

(2015 Replacement Volume and 2016 Supplement)

Annotated Code of Maryland

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 1 2 That the Laws of Maryland read as follows: 3 Article - State Personnel and Pensions 4 20-101.5 In this Division II the following words have the meanings indicated. (a) 6 "State system" means a retirement or pension system that is included in the 7 State Retirement and Pension System under § 21–102 of this article. 8 23 - 204.9 Membership in the Employees' Pension System is optional for an (a) (1) individual who is: 10 11 (i) an official, elected or appointed for a fixed term; 12 an employee of the Governor's office; (ii) 13 (iii) an employee of the Senate or House of Delegates; 14 a member of the Prince George's County Board of License (iv) 15 Commissioners; 16 an employee of Dorchester County who is not AND HAS NOT (v) PREVIOUSLY BEEN a member of the county's general pension and retirement program OR 17 18 ANY OTHER PLAN SPONSORED BY DORCHESTER COUNTY: or except as provided in subsection (g) of this section, an employee 19 20 of a participating governmental unit who is employed by the participating governmental 21unit before the effective date of participation and who remains an employee of the 22participating governmental unit through the effective date of participation. 23An individual described under paragraph (1)(i) through (v) of this 24subsection who elects to join the Employees' Pension System shall make the election at 25commencement of employment by filing a written application with the Board of Trustees 26 on a form that the Board of Trustees provides. 27 An individual described under paragraph (1)(vi) of this subsection who

elects to join the Employees' Pension System shall make the election prior to the effective

date of participation by filing a written application with the Board of Trustees on a form

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that the Board of Trustees provides.

- 1 **(4)** An election to join the Employees' Pension System under this 2 subsection is a one-time, irrevocable election. 3 If an election to join the Employees' Pension System is not received by 4 the Board of Trustees within the period of time described in paragraph (2) or (3) of this subsection, the individual may not elect to join the Employees' Pension System while 5 6 employed in that position. 7 (6) The Board of Trustees shall adopt regulations to implement this 8 subsection. 9 (b) (1) Membership in the Employees' Pension System is not optional for 10 individuals who are: (i) supportive service employees of the Board of Education of Kent 11 County; 12 13 (ii) employees of the Town of Oakland; employees of the City of Frostburg; 14 (iii) employees of the Town of Sykesville; or 15 (iv) 16 (v) employees of the Town of University Park. 17 Membership in the Employees' Pension System is not optional for an 18 individual who was employed in a position on or before June 30, 2015, that required the 19 individual to be a member of the Employees' Pension System, while the individual remains 20 in that position. 21(c) Subject to paragraph (2) of this subsection, membership in the 22Employees' Pension System is optional for an individual described in § 23–201(a)(2)(iv) of 23this subtitle who is elected or appointed as the Baltimore City Sheriff.
- 24 (2) An individual who is elected or appointed as the Baltimore City Sheriff 25 and who does not elect to join the Employees' Pension System is a member of the Law 26 Enforcement Officers' Pension System under Title 26 of this article as a condition of 27 employment.
- 28 (3) To elect to be a member of the Employees' Pension System under this subsection, an individual shall make the election at commencement of employment by filing a written application with the Board of Trustees on a form that the Board of Trustees provides.
- 32 (4) An individual who does not elect membership [within 6 months] AS of 33 the date the individual begins serving as the Baltimore City Sheriff shall become a member 34 of the Law Enforcement Officers' Pension System.

1 (d) (1) This subsection applies to an individual described in § 23–201(a)(2)(iv) 2 of this subtitle who elects membership in the Employees' Pension System under this 3 section. 4 (2)An individual described in paragraph (1) of this subsection may elect membership in the Law Enforcement Officers' Pension System if the county employing the 5 6 individual elects to become an eligible governmental unit in the Law Enforcement Officers' 7 Pension System in accordance with §§ 31–2A–02 through 31–2A–05 of this article. 8 (3)If an individual transfers to the Law Enforcement Officers' Pension 9 System under this subsection, the eligible governmental unit is responsible for all employer contributions required for the individual under § 21–306.1 of this article. 10 11 (e) (1)This subsection applies only to an individual who is an employee of the 12 Town of Berwyn Heights on June 30, 2008. 13 (2)Subject to paragraph (3) of this subsection, membership in the 14 Employees' Pension System is optional for an individual described in paragraph (1) of this subsection who elects membership on July 1, 2008. 15 16 To elect to be a member of the Employees' Pension System, an individual shall file a written application with the Board of Trustees on a form that the 17 Board of Trustees provides. 18 19 This subsection applies only to an individual who is an employee of the (1) 20 City of College Park on June 30, 2014. 21Subject to paragraph (3) of this subsection, membership in the 22Employees' Pension System is optional for an individual described in paragraph (1) of this 23subsection who elects membership on July 1, 2014. 24To elect to be a member of the Employees' Pension System, an 25individual shall file a written application with the Board of Trustees on a form that the 26 Board of Trustees provides. 27 This subsection applies to an individual who is employed by Prince (g) (1)28 George's County as: 29 (i) the Chief Administrative Officer; 30 a Deputy Chief Administrative Officer; (ii) 31 (iii) a director of a county office or department;

a County Council Administrator;

(iv)

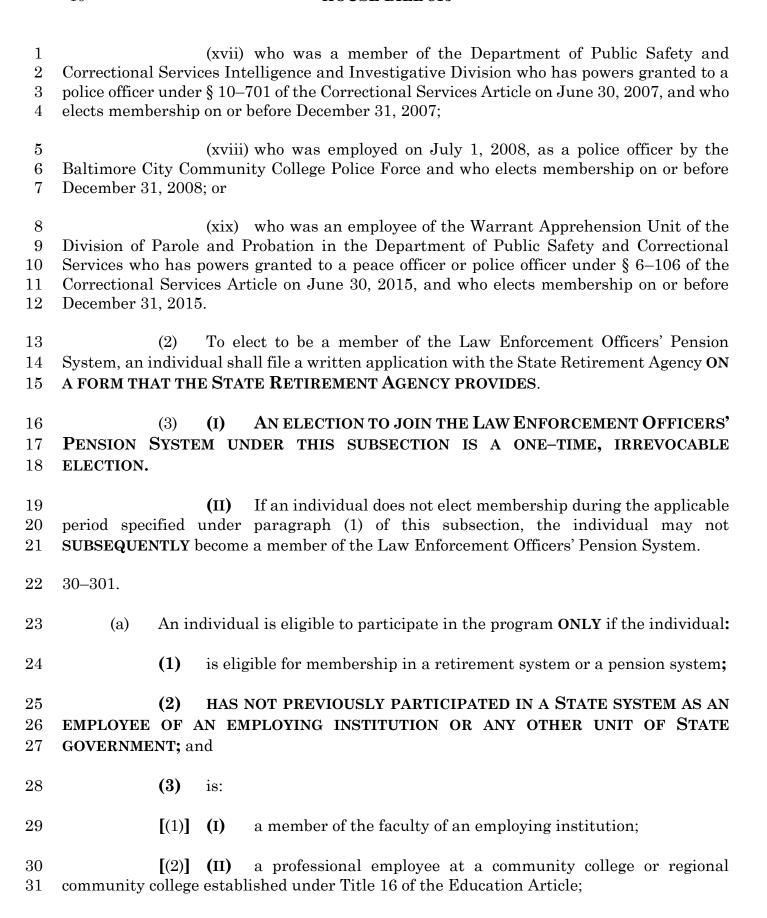
decision.

1	(v)	a Deputy Director of a county office or department; or	
2	(vi)	an Executive Director.	
3 4	(2) (i) individual who:	Membership in the Employees' Pension System is optional for an	
5 6	subsection on or after Ju	1. begins serving in a position listed in paragraph (1) of this aly 1, 2014; AND	
7 8	GEORGE'S COUNTY.	2. HAS NOT PREVIOUSLY BEEN EMPLOYED BY PRINCE	
9 10 11 12	(ii) An individual described under subparagraph (i) of this paragraph who elects to join the Employees' Pension System shall make the election at commencement of employment by filing a written application with the Board of Trustees on a form that the Board of Trustees provides.		
13	(3) Men	abership in the Employees' Pension System is mandatory for:	
14	(i)	an individual who:	
15 16	(1) of this subsection on	1. is employed in one of the positions listed under paragraph or before June 30, 2014; and	
17 18	or	2. is enrolled as a member of the Employees' Pension System;	
19 20 21	(ii) who elected to join the subsection.	an individual described under paragraph (2)(i) of this subsection ne Employees' Pension System under paragraph (2)(ii) of this	
22 23	(4) Men individual who:	nbership in the Employees' Pension System is prohibited for an	
24 25	(i) subsection on or after Ju	begins serving in a position listed in paragraph (1) of this aly 1, 2004, but before July 1, 2014;	
26 27	(ii) or after July 1, 2014; an	remains in a position listed in paragraph (1) of this subsection on d	
28	(iii)	is not enrolled in the Employees' Pension System.	
29 30 31		An individual's election under paragraph (2)(ii) of this subsection Pension System or an individual's failure to elect to join the stem within the required time period is a one—time, irrevocable	

- 1 (ii) An individual employed in one of the positions listed under 2 paragraph (1) of this subsection who does not elect to join the Employees' Pension System 3 under paragraph (2)(ii) of this subsection may not join the Employees' Pension System 4 while employed in one of the positions listed under paragraph (1) of this subsection.
- 5 (iii) An individual described under paragraph (4) of this subsection 6 or subparagraph (ii) of this paragraph who changes employment to a different position 7 under paragraph (1) of this subsection, whether or not a break in employment occurs, may 8 not elect to join the Employees' Pension System.
- 9 (6) The Board of Trustees shall adopt regulations to implement this 10 section.
- 11 24-202.
- [Except as provided in § 24–203 of this subtitle, an] **AN** individual described in § 24–201 of this subtitle is a member of the State Police Retirement System as a condition of employment.
- 15 24-203.
- The Secretary of State Police [may waive membership in] IS A MEMBER OF the State
 Police Retirement System [and elect to become a member of the Employees' Pension
 System] AS A CONDITION OF EMPLOYMENT.
- 19 25–202.
- 20 (a) Except as provided in subsection (b) of this section, an individual described in § 25–201(a) of this subtitle is a member of the Correctional Officers' Retirement System as 22 a condition of employment.
- (b) (1) Subject to paragraph [(2)] (3) of this subsection, membership in the Correctional Officers' Retirement System is optional for an individual described in § 25–201 of this subtitle who was employed by a participating governmental unit as a local detention center officer on the effective date of participation on or after July 1, 2006, <u>BUT BEFORE JULY 1, 2017</u>, for that participating governmental unit and who elects membership within 6 months of the effective date of participation.
- 29 (2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, MEMBERSHIP 30 IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM IS OPTIONAL FOR AN 31 INDIVIDUAL:
- 32 (I) DESCRIBED IN § 25–201 OF THIS SUBTITLE WHO WAS 33 EMPLOYED BY A PARTICIPATING GOVERNMENTAL UNIT AS A LOCAL DETENTION

- 1 CENTER OFFICER ON THE EFFECTIVE DATE OF PARTICIPATION ON OR AFTER JULY
- 2 1, 2017, FOR THAT PARTICIPATING GOVERNMENTAL UNIT; AND
- 3 (II) WHO ELECTS MEMBERSHIP BEFORE THE EFFECTIVE DATE 4 OF PARTICIPATION.
- 5 [(2)] (3) To elect to be a member of the Correctional Officers' Retirement 6 System, an individual shall file a written application with the State Retirement Agency ON
- 7 A FORM THAT THE STATE RETIREMENT AGENCY PROVIDES.
- 8 [(3)] (4) (I) AN ELECTION TO JOIN THE CORRECTIONAL 9 OFFICERS' RETIREMENT SYSTEM UNDER THIS SUBSECTION IS A ONE-TIME, 10 IRREVOCABLE ELECTION.
- 11 **(II)** If an individual does not elect membership during the applicable 12 period specified under paragraph (1) **OR (2)** of this subsection, the individual may not
- 13 **SUBSEQUENTLY** become a member of the Correctional Officers' Retirement System.
- 14 26–202.
- 15 (a) Except as provided in subsection (b) of this section, an individual described in § 26–201 of this subtitle is a member of the Law Enforcement Officers' Pension System as 17 a condition of employment.
- 18 (b) (1) Subject to paragraph (2) of this subsection, membership in the Law Enforcement Officers' Pension System is optional for an individual described in § 26–201 of this subtitle:
- 21 (i) who was employed by the Department of Natural Resources on 22 July 1, 1990 and who elects membership on or before December 31, 2002;
- 23 (ii) who was employed by the Field Enforcement Division on June 30, 1995 and who elects membership on or before December 31, 2002;
- 25 (iii) who was employed by the Maryland Transportation Authority on 26 June 30, 1997 and who elects membership on or before December 31, 2002;
- 27 (iv) who was employed by the Baltimore City Sheriff's Department 28 on June 30, 1997 and who elects membership on or before December 31, 2002;
- 29 (v) who was employed by the University System of Maryland Police 30 Force on June 30, 1999 and who elects membership on or before December 31, 2002;
- 31 (vi) who is employed by a participating governmental unit on the 32 effective date of participation:

- 1. on or after July 1, 1999, BUT BEFORE JULY 1, 2017, for that participating governmental unit and who elects membership within 6 months of the effective date of participation; OR
- 2. ON OR AFTER JULY 1, 2017, FOR THAT 5 PARTICIPATING GOVERNMENTAL UNIT AND WHO ELECTS MEMBERSHIP BEFORE THE 6 EFFECTIVE DATE OF PARTICIPATION;
- 7 (vii) who was employed by the Maryland Port Administration Police 8 Force and was subsequently transferred to and employed by the Maryland Transportation 9 Authority Police Force on July 1, 1998 and who elects membership on or before December 10 31, 2002;
- 11 (viii) who was employed by the office of the State Fire Marshal on June 30, 1998 and who elects membership on or before December 31, 2002;
- 13 (ix) who was employed by the Morgan State University Police Force 14 on June 30, 1999 and who elects membership on or before December 31, 2002;
- 15 (x) who was employed by the BWI Airport Fire & Rescue 16 Department on June 30, 2000, and who elects membership on or before December 31, 2002;
- 17 (xi) who was employed by the Department of General Services, 18 Department of Health and Mental Hygiene, Motor Vehicle Administration, and 19 Department of Labor, Licensing, and Regulation Police Force on June 30, 2000 and who 20 elects membership on or before December 31, 2002;
- 21 (xii) who was employed by the Military Department as a firefighter at 22 Martin State Airport on June 30, 2001, and who elects membership on or before December 23 31, 2002;
- (xiii) who was employed on June 30, 2002, by the Division of Rehabilitation Services in the Department of Education as a police officer certified in accordance with the Maryland Police and Correctional Training Commissions, and who elects membership on or before December 31, 2002;
- 28 (xiv) who was employed on June 30, 2004, by the Salisbury Fire 29 Department as a firefighter or paramedic and who elects membership on or before 30 December 31, 2004, if eligible under Title 31, Subtitle 2A of this article;
- 31 (xv) who was employed on June 30, 2005, by the Department of State 32 Police as an aviator operating an aircraft for the State Emergency Medical System, and 33 who elects membership on or before December 31, 2005;
- 34 (xvi) who was employed by the Military Department as a law 35 enforcement officer at Martin State Airport on June 30, 2007, and who elects membership 36 on or before December 31, 2007;



- 1 [(3)] (III) an employee of the University System of Maryland who is in a 2 position designated as exempt under a policy adopted by the University System of 3 Maryland Board of Regents: 4 [(4)] (IV) an employee of Morgan State University who is in a position designated as executive or professional administrative by the Board of Regents of Morgan 5 6 State University: 7 an employee of St. Mary's College of Maryland who is in a 8 position determined by the Board of Trustees of the College to be an exempt position; or 9 [(6)] (VI) an employee of the Maryland Higher Education Commission who 10 is in a position determined by the Secretary of Higher Education to be a professional 11 position. 12 (b) This subsection applies to an individual who: (1) 13 (i) on August 22, 2004, was eligible to participate in the program; 14 and 15 is in a position that, as of August 23, 2004, was reclassified by (ii) 16 the University System of Maryland Board of Regents or the Board of Regents of Morgan State University and would no longer be eligible for participation in the program under 17 18 subsection (a) of this section. 19 An individual described under paragraph (1) of this subsection shall 20 continue to participate in the program if the individual: 21would otherwise be eligible for membership in a system under 22the State Retirement and Pension System; and 23 (ii) is employed by an employing institution. 24(c) This subsection applies to an individual who: (1) 25is in a position that was eligible to participate in the program but 26 was reclassified by the governing board of the individual's employing institution or the 27 Secretary of Higher Education to a position that would no longer be eligible for participation 28in the program under subsection (a) of this section; and 29 (ii) was a participant in the program on the date immediately
- 31 (2) An individual described under paragraph (1) of this subsection shall 32 continue to participate in the program if the individual:

preceding the reclassification.

- 1 (i) would otherwise be eligible for membership in a system under 2 the State Retirement and Pension System; and
- 3 (ii) is employed by an employing institution.
- 4 30–302.
- 5 (a) An election to participate in the program shall be made by an eligible employee 6 [within 1 year of first becoming an eligible employee of an employing institution] AT COMMENCEMENT OF EMPLOYMENT.
- 8 (b) An eligible employee's election to participate in the program is a one—time 9 irrevocable election.
- 10 (C) AN INDIVIDUAL WHO PREVIOUSLY PARTICIPATED IN A STATE SYSTEM
 11 AS AN EMPLOYEE OF AN EMPLOYING INSTITUTION OR ANY OTHER UNIT OF STATE
 12 GOVERNMENT MAY NOT ELECT TO PARTICIPATE IN THE PROGRAM.
- 13 30–303.
- 14 (a) An eligible employee shall elect to:
- 15 (1) join a pension or retirement system in accordance with the provisions 16 of this Division II applicable to that system; or
- 17 (2) participate in the program.
- 18 (b) An eligible employee shall:
- 19 (1) make an election under this section in writing; and
- 20 (2) file the election with the Board of Trustees and the employing 21 institution [within 1 year of first becoming an eligible employee of an employing 22 institution] AT COMMENCEMENT OF EMPLOYMENT.
- (c) [An eligible employee may not participate in the program if both the Board of Trustees and the employing institution have not received the eligible employee's written election required under subsection (b) of this section, within 1 year of first becoming an eligible employee with an employing institution.] AN ELIGIBLE EMPLOYEE'S ELECTION UNDER THIS SECTION IS A ONE-TIME, IRREVOCABLE ELECTION.
- 28 (d) The effective date of the election shall be the [first day of the month after the election] DAY OF COMMENCEMENT OF EMPLOYMENT.
- 30 30–305.

- 1 (a) This section applies only to a State employee who [becomes eligible to elect 2 participation in the program if the employee] is appointed, promoted, transferred, or 3 reclassified to a position [as an eligible employee] IN WHICH AN EMPLOYEE WOULD BE 4 ELIGIBLE TO PARTICIPATE IN THE PROGRAM.
- 5 (b) A State employee described in subsection (a) of this section may **NOT** elect to 6 participate in the program.
- 7 **[**(c) An eligible employee shall:
- 8 (1) make an election under this section in writing; and
- 9 (2) file the election with the Board of Trustees and the employing 10 institution within 1 year of first becoming an eligible employee of an employing institution.
- 11 (d) An eligible employee may not participate in the program if both the Board of 12 Trustees and the employing institution have not received the eligible employee's written 13 election required under subsection (c) of this section, within 1 year of first becoming an 14 eligible employee with an employing institution.]
- 15 30-307.
- 16 (a) (1) THIS SUBSECTION APPLIES TO AN ELECTION TO PARTICIPATE IN THE PROGRAM MADE ON OR BEFORE JUNE 30, 2017.
- 18 **(2)** Except as otherwise provided in this section, an election to participate in the program is a waiver of all rights and benefits provided by the retirement or pension system in which the participating employee was a member on the effective date of the election.
- [(b)] (3) For the purpose of determining eligibility for immediate vested rights or benefits in a retirement system or pension system, an eligible employee who is a member of that State system when the employee elects to participate in the program is deemed to have separated from employment on the effective date of the election.
- [(c)] (4) The Board of Trustees may only compute retirement system or pension system benefits on the basis of years of creditable service as a member of that State system.
- [(d) (1)] (5) (I) This [section] PARAGRAPH applies only to a participating employee whose last employer prior to joining the program was a participating employer that does not participate in the employer pick—up program as defined in § 414(h)(2) of the Internal Revenue Code.
- [(2)] (II) A participating employee may withdraw any accumulated contributions in the annuity savings fund on or after the effective date of the participating employee's election to join the program.

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(ii)

1 [(3)] (III) If a participating employee withdraws the accumulated 2 contributions, the participating employee forfeits any right to a benefit in the State system 3 from which the accumulated contributions were withdrawn. 4 [(e)] **(B) (1)** A participating employee is ineligible for membership in a retirement system or pension system while the participating employee is employed in any 5 6 eligible position by any employing institution. 7 **(2)** A PARTICIPATING EMPLOYEE WHO IS SUBSEQUENTLY 8 APPOINTED, PROMOTED, OR TRANSFERRED TO ANOTHER POSITION THAT IS 9 ELIGIBLE FOR MEMBERSHIP IN A STATE SYSTEM BUT IS NOT ELIGIBLE FOR PARTICIPATION IN THE PROGRAM SHALL PARTICIPATE IN A STATE SYSTEM WITH 10 RESPECT TO THAT POSITION AS A CONDITION OF EMPLOYMENT. 11 12 31–101. 13 In this subtitle the following words have the meanings indicated. (a) 14 **(1)** "Local [pension system] PLAN" means a [retirement or pension system (h) established by the legislative body PLAN OR ANY OTHER ARRANGEMENT of an eligible 15 governmental unit THAT IS DESCRIBED IN § 219(G)(5) OF THE INTERNAL REVENUE 16 CODE. 17 "LOCAL PLAN" DOES NOT INCLUDE A PLAN ESTABLISHED UNDER 18 **(2)** § 457 OF THE INTERNAL REVENUE CODE. 19 20 31 - 102.21Subject to [§] §§ 22–202(b) AND 31–109 of this article, the governmental units that are eligible to participate in the employees' systems are: 2223 (1) a political subdivision of the State, including: 24(i) a county; 25 (ii) a municipal corporation; and 26(iii) a special taxing area; and 27 the following governmental units: (2)28 (i) an agency on aging, as designated by the legislative body of the 29agency on aging;

the Allegany County Transit Authority;

$\frac{1}{2}$	Council;	(iii)	subject to \S 31–104 of this subtitle, the Baltimore Metropolitan
3 4	for public purpose	(iv) and no	a board or commission created by an Act of the General Assembly t for the profit of a private person;
5 6	and Development	(v) Author	subject to \S 31–105 of this subtitle, the Canal Place Preservation ity;
7		(vi)	the Chesapeake Bay Commission;
8		(vii)	a cooperative library commission;
9 10	as designated by the	. ,	subject to § 31–103 of this subtitle, a community action agency, slative body of the community action agency;
11 12 13	a county, municip State;	(ix) al corp	a fire department that receives any of its funds from or through oration, special taxing area, or other political subdivision of the
14		(x)	the Health Planning Council of Appalachia;
15		(xi)	the Howard County Economic Development Authority;
16		(xii)	the Interstate Commission on the Potomac River Basin;
17		(xiii)	the Lower Shore Private Industry Council, Inc.;
18		(xiv)	the Maryland Environmental Service;
19 20	Authority;	(xv)	subject to § 31–106 of this subtitle, the Maryland Stadium
21		(xvi)	a public library association or organization;
22 23	Center, Inc.;	(xvii)	subject to \S 31–106.2 of this subtitle, the St. Mary's Nursing
24		(xviii)	the Tri-County Council for Western Maryland, Inc.;
25		(xix)	the Tri-County Council for Southern Maryland;
26 27	Medical System Co	(xx) orporat	subject to § 31–107 of this subtitle, the University of Maryland ion;
28		(xxi)	the Upper Potomac River Commission;

$\begin{array}{c} 1 \\ 2 \end{array}$	(xxii) subject to § 31–106.1 of this subtitle, the Maryland African American Museum Corporation;		
3	(xxiii) the Garrett County Office for Children, Youth and Families;		
4	(xxiv) the Somerset County Economic Development Commission; and		
5	(xxv) the Dorchester County Sanitary Commission.		
6	[31–109.		
7 8	Except as provided in § 31–110 of this subtitle, an employee of an eligible governmental unit is entitled to be a member of the Employees' Pension System if:		
9	(1) (i) the employee is not a member of a local pension system; and		
10 11	(ii) the legislative body of the eligible governmental unit approves participation of the eligible governmental unit in the Employees' Pension System; or		
12	(2) (i) the employee is a member of a local pension system;		
13 14	(ii) at least 60% of the members of the local pension system petition to become members of the Employees' Pension System; and		
15 16 17	(iii) the legislative body of the eligible governmental unit approves participation of the eligible governmental unit in the Employees' Pension System as though the local pension system were not in operation.]		
18	31–109.		
19 20 21	(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE LEGISLATIVE BODY OF AN ELIGIBLE GOVERNMENTAL UNIT MAY APPROVE PARTICIPATION BY ITS EMPLOYEES IN THE EMPLOYEES' PENSION SYSTEM IF:		
22 23	(1) THE LEGISLATIVE BODY ADOPTS A RESOLUTION IN THE FORM PRESCRIBED BY THE BOARD OF TRUSTEES; AND		
24 25	(2) THE ELIGIBLE GOVERNMENTAL UNIT OPERATES A LOCAL PLAN, ONLY IF:		
26 27	(I) AT LEAST 60% OF THE MEMBERS OF THE LOCAL PLAN PETITION TO BECOME MEMBERS OF THE EMPLOYEES' PENSION SYSTEM;		
28 29	(II) THE ELIGIBLE GOVERNMENTAL UNIT SATISFIES THE REQUIREMENTS IN SUBSECTION (B) OF THIS SECTION; AND		

- 1 (III) THE LEGISLATIVE BODY APPROVES PARTICIPATION OF THE
- 2 ELIGIBLE GOVERNMENTAL UNIT IN THE EMPLOYEES' PENSION SYSTEM AS THOUGH
- 3 THE LOCAL PLAN WERE NOT IN OPERATION.
- 4 (B) AN ELIGIBLE GOVERNMENTAL UNIT THAT OPERATES A LOCAL PLAN
- 5 MAY APPROVE PARTICIPATION BY ITS EMPLOYEES IN THE EMPLOYEES' PENSION
- 6 SYSTEM ONLY IF:
- 7 (1) THE LOCAL PLAN OF THE ELIGIBLE GOVERNMENTAL UNIT
- 8 REQUIRES MEMBER CONTRIBUTIONS AT THE SAME RATE AS THE MEMBER
- 9 CONTRIBUTION RATE THAT WOULD BE APPLICABLE TO EMPLOYEES OF THE
- 10 ELIGIBLE GOVERNMENTAL UNIT IN THE EMPLOYEES' PENSION SYSTEM; OR
- 11 (2) THE ELIGIBLE GOVERNMENTAL UNIT:
- 12 (I) DOES NOT PROVIDE FOR THE EMPLOYER PICKUP OF
- 13 MEMBER CONTRIBUTIONS TO THE LOCAL PLAN WITHIN THE MEANING OF §
- 14 414(H)(2) OF THE INTERNAL REVENUE CODE; AND
- 15 (II) CERTIFIES THAT IT WILL NOT BECOME AN APPROVED
- 16 EMPLOYER UNDER § 21–313 OF THIS ARTICLE ON OR AFTER THE EFFECTIVE DATE
- 17 OF PARTICIPATION.
- 18 (C) (1) IF AN ELIGIBLE GOVERNMENTAL UNIT DOES NOT SATISFY THE
- 19 REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION, THE ELIGIBLE
- 20 GOVERNMENTAL UNIT MAY SUBMIT A REQUEST TO THE BOARD OF TRUSTEES TO
- 21 PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM.
- 22 (2) THE BOARD OF TRUSTEES SHALL CONSIDER A REQUEST MADE
- 23 UNDER PARAGRAPH (1) OF THIS SUBSECTION AND DETERMINE WHETHER ANY
- 24 LEGISLATION IS NECESSARY TO ALLOW THE ELIGIBLE GOVERNMENTAL UNIT TO
- 25 PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM.
- 26 (3) THE BOARD OF TRUSTEES SHALL MAKE RECOMMENDATIONS TO
- 27 THE JOINT COMMITTEE ON PENSIONS REGARDING ANY LEGISLATION THAT IT
- 28 DETERMINES IS NECESSARY TO ALLOW THE ELIGIBLE GOVERNMENTAL UNIT TO
- 29 PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM.
- 30 31–113.
- 31 (A) THIS SECTION APPLIES ONLY TO A LOCAL PLAN THAT IS A QUALIFIED
- 32 PLAN UNDER § 401(A) OF THE INTERNAL REVENUE CODE AND PROVIDES A DEFINED
- 33 BENEFIT TO ITS PARTICIPANTS.

- [(a)] (B) Except as provided in subsection [(b)] (C) of this section, the operation of the local [pension system] PLAN of an eligible governmental unit terminates on the effective date.
- [(b)] (C) (1) An eligible governmental unit may elect to continue to operate a local [pension system] PLAN after the effective date of participation in the Employees' Pension System to provide benefits to [a person] AN INDIVIDUAL who:
- 7 (i) is receiving benefits from the local [pension system] PLAN;
- 8 (ii) is eligible to receive benefits from the local [pension system]
 9 PLAN on account of the [person's] INDIVIDUAL'S previous employment by the eligible
 10 governmental unit; or
- 11 (iii) did not elect to join the Employees' Pension System under § 12 23–204(a) of this article.
- 13 (2) [A person] AN INDIVIDUAL may not be enrolled in the local [pension system] PLAN of a participating governmental unit electing to continue to operate its [system] LOCAL PLAN under paragraph (1) of this subsection if the [person] INDIVIDUAL becomes employed or is rehired by the participating governmental unit on or after the effective date of participation of the participating governmental unit in the Employees' Pension System.
- [(c)] (D) The liability for the continuation of benefits under subsection [(b)] (C) of this section shall be included in the computation of the special accrued liability as provided by § 21–305.3 of this article.
- 22 [(d)] **(E)** (1) On the effective date:
- 23 (i) the assets to the credit of the local [pension system] PLAN of the 24 participating governmental unit that are attributable to the employees of the participating 25 governmental unit who elect to become members of the Employees' Pension System under § 23–204(a) of this article shall be transferred to the Employees' Pension System; and
- 27 (ii) the trustee or other administrative head of the local [pension 28 system] PLAN shall certify the proportion of the funds of the local [pension system] PLAN 29 that represents the accumulated contributions of the members as of that date.
- 30 (2) The accumulated contributions shall be credited to the respective 31 annuity savings accounts of the members in the Employees' Pension System.
- 32 (3) Any balance of the funds transferred to the Employees' Pension System 33 shall be offset against the special accrued liability to be funded by the participating 34 governmental unit as provided by § 21–305.3 of this article.

- 1 31–2A–01.
- 2 (a) In this subtitle the following words have the meanings indicated.
- 3 (f) (1) "Local [pension system] PLAN" means a [retirement or pension system 4 established by the legislative body] PLAN OR ANY OTHER ARRANGEMENT of an eligible governmental unit THAT IS DESCRIBED IN § 219(G)(5) OF THE INTERNAL REVENUE 6 CODE.
- 7 (2) "LOCAL PLAN" DOES NOT INCLUDE A PLAN ESTABLISHED UNDER 8 § 457 OF THE INTERNAL REVENUE CODE.
- 9 **[**31–2A–03.
- 10 (a) If at least 60% of the law enforcement officers of an eligible governmental unit 11 who are members of a local pension system or State system petition to become members of 12 the Law Enforcement Officers' Pension System, the legislative body of the eligible 13 governmental unit may approve the participation of these law enforcement officers in the 14 Law Enforcement Officers' Pension System as though the local pension system were not in 15 operation.
- 16 (b) If at least 60% of the firefighters and paramedics employed by the Salisbury
 17 Fire Department petition to become members of the Law Enforcement Officers' Pension
 18 System, the legislative body of the City of Salisbury, as an eligible governmental unit, may
 19 approve the participation of these firefighters and paramedics in the Law Enforcement
 20 Officers' Pension System.
- (c) If at least 60% of the firefighters of an eligible governmental unit who are members of a local pension system or State system petition to become members of the Law Enforcement Officers' Pension System, the legislative body of the eligible governmental unit may approve the participation of these firefighters in the Law Enforcement Officers' Pension System as though the local pension system were not in operation.]
- 26 **31–2A–03.**
- 27 (A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE LEGISLATIVE BODY
 28 OF AN ELIGIBLE GOVERNMENTAL UNIT MAY APPROVE PARTICIPATION BY ITS LAW
 29 ENFORCEMENT OFFICERS OR FIREFIGHTERS IN THE LAW ENFORCEMENT
 30 OFFICERS' PENSION SYSTEM IF:
- 31 (1) THE LEGISLATIVE BODY ADOPTS A RESOLUTION IN THE FORM 32 PRESCRIBED BY THE BOARD OF TRUSTEES; AND
- 33 (2) THE ELIGIBLE GOVERNMENTAL UNIT PARTICIPATES IN A STATE 34 SYSTEM OR OPERATES A LOCAL PLAN, ONLY IF:

- 1 (I) AT LEAST 60% OF THE LAW ENFORCEMENT OFFICERS OR
- 2 FIREFIGHTERS OF THE ELIGIBLE GOVERNMENTAL UNIT PETITION TO BECOME
- 3 MEMBERS OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;
- 4 (II) THE ELIGIBLE GOVERNMENTAL UNIT SATISFIES THE
- 5 REQUIREMENTS IN SUBSECTION (B) OF THIS SECTION; AND
- 6 (III) THE LEGISLATIVE BODY APPROVES PARTICIPATION OF ITS
- 7 LAW ENFORCEMENT OFFICERS OR FIREFIGHTERS IN LIEU OF PARTICIPATION IN THE
- 8 STATE SYSTEM OR LOCAL PLAN.
- 9 (B) AN ELIGIBLE GOVERNMENTAL UNIT THAT OPERATES A LOCAL PLAN OR
- 10 PARTICIPATES IN A STATE SYSTEM MAY APPROVE PARTICIPATION OF ITS LAW
- 11 ENFORCEMENT OFFICERS OR FIREFIGHTERS IN THE LAW ENFORCEMENT
- 12 OFFICERS' PENSION SYSTEM ONLY IF:
- 13 (1) THE STATE SYSTEM OR LOCAL PLAN OF THE ELIGIBLE
- 14 GOVERNMENTAL UNIT REQUIRES MEMBER CONTRIBUTIONS AT THE SAME RATE AS
- 15 THE MEMBER CONTRIBUTION RATE THAT WOULD BE APPLICABLE TO THE LAW
- 16 ENFORCEMENT OFFICERS OR FIREFIGHTERS OF THE ELIGIBLE GOVERNMENTAL
- 17 UNIT IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM; OR
- 18 (2) THE ELIGIBLE GOVERNMENTAL UNIT:
- 19 (I) DOES NOT PROVIDE FOR THE EMPLOYER PICKUP OF
- 20 MEMBER CONTRIBUTIONS TO THE STATE SYSTEM OR LOCAL PLAN WITHIN THE
- 21 MEANING OF § 414(H)(2) OF THE INTERNAL REVENUE CODE; AND
- 22 (II) CERTIFIES THAT IT WILL NOT BECOME AN APPROVED
- 23 EMPLOYER UNDER § 21–313 OF THIS ARTICLE ON OR AFTER THE EFFECTIVE DATE
- 24 OF PARTICIPATION.
- 25 (C) (1) IF AN ELIGIBLE GOVERNMENTAL UNIT DOES NOT SATISFY THE
- 26 REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION, THE ELIGIBLE
- 27 GOVERNMENTAL UNIT MAY SUBMIT A REQUEST TO THE BOARD OF TRUSTEES TO
- 28 PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.
- 29 (2) THE BOARD OF TRUSTEES SHALL CONSIDER A REQUEST MADE
- 30 UNDER PARAGRAPH (1) OF THIS SUBSECTION AND DETERMINE WHETHER ANY
- 31 LEGISLATION IS NECESSARY TO ALLOW THE ELIGIBLE GOVERNMENTAL UNIT TO
- 32 PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.

- 1 (3) THE BOARD OF TRUSTEES SHALL MAKE RECOMMENDATIONS TO
 2 THE JOINT COMMITTEE ON PENSIONS REGARDING ANY LEGISLATION THAT IT
 3 DETERMINES IS NECESSARY TO ALLOW THE ELIGIBLE GOVERNMENTAL UNIT TO
 4 PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.
- 5 31–2A–05.
- 6 (A) THIS SECTION APPLIES ONLY TO A LOCAL PLAN THAT IS A QUALIFIED 7 PLAN UNDER § 401(A) OF THE INTERNAL REVENUE CODE AND PROVIDES A DEFINED 8 BENEFIT TO ITS PARTICIPANTS.
- [(a)] (B) If an eligible governmental unit approves participation in the Law Enforcement Officers' Pension System, the operation of the local [pension system] PLAN or State system with respect to the law enforcement officers, firefighters, or paramedics terminates on the effective date.
- 13 **[(b)] (C)** (1) On the effective date:
- 14 (i) the assets to the credit of the local [pension system] **PLAN** or 15 State system that relate to the law enforcement officers, firefighters, or paramedics who 16 elect to become members shall be transferred to the Law Enforcement Officers' Pension 17 System; and
- 18 (ii) the trustee or other administrative head of the local [pension system] PLAN or State system shall certify the proportion of the funds of the local [pension system] PLAN or State system that represents the accumulated contributions of the members as of that date.
- 22 (2) The accumulated contributions shall be credited to the respective 23 annuity savings accounts of the members in the Law Enforcement Officers' Pension 24 System.
- 25 (3) The balance of the funds transferred to the Law Enforcement Officers' 26 Pension System shall be offset against the special accrued liability to be funded by the 27 participating governmental unit as provided by § 21–306.1(d) of this article.
- 28 31-2B-01.
- 29 (a) In this subtitle the following words have the meanings indicated.
- (e) (1) "Local [pension system] PLAN" means a [retirement or pension system established by the legislative body] PLAN OR ANY OTHER ARRANGEMENT of an eligible governmental unit THAT IS DESCRIBED IN § 219(G)(5) OF THE INTERNAL REVENUE CODE.

- 1 (2) "LOCAL PLAN" DOES NOT INCLUDE A PLAN ESTABLISHED UNDER 2 § 457 OF THE INTERNAL REVENUE CODE.
- 3 **[**31–2B–03.
- 4 If at least 60% of the local detention center officers of an eligible governmental unit
- 5 who are members of a local pension system or State system petition to become members of
- 6 the Correctional Officers' Retirement System, the legislative body of the eligible
- 7 governmental unit may approve the participation of these local detention center officers in
- 8 the Correctional Officers' Retirement System as though the local pension system were not
- 9 in operation.]
- 10 **31-2B-03.**
- 11 (A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE LEGISLATIVE BODY
- 12 OF AN ELIGIBLE GOVERNMENTAL UNIT MAY APPROVE PARTICIPATION BY ITS LOCAL
- 13 DETENTION CENTER OFFICERS IN THE CORRECTIONAL OFFICERS' RETIREMENT
- 14 **SYSTEM IF:**
- 15 (1) THE LEGISLATIVE BODY ADOPTS A RESOLUTION IN THE FORM
- 16 PRESCRIBED BY THE BOARD OF TRUSTEES; AND
- 17 (2) THE ELIGIBLE GOVERNMENTAL UNIT PARTICIPATES IN A STATE
- 18 SYSTEM OR OPERATES A LOCAL PLAN FOR ITS LOCAL DETENTION CENTER
- 19 OFFICERS, ONLY IF:
- 20 (I) AT LEAST 60% OF THE LOCAL DETENTION CENTER
- 21 OFFICERS OF THE ELIGIBLE GOVERNMENTAL UNIT PETITION TO BECOME MEMBERS
- 22 OF THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;
- 23 (II) THE ELIGIBLE GOVERNMENTAL UNIT SATISFIES THE
- 24 REQUIREMENTS IN SUBSECTION (B) OF THIS SECTION; AND
- 25 (III) THE LEGISLATIVE BODY APPROVES PARTICIPATION OF ITS
- 26 LOCAL DETENTION CENTER OFFICERS IN LIEU OF PARTICIPATION IN THE STATE
- 27 SYSTEM OR LOCAL PLAN.
- 28 (B) AN ELIGIBLE GOVERNMENTAL UNIT THAT OPERATES A LOCAL PLAN OR
- 29 PARTICIPATES IN A STATE SYSTEM MAY APPROVE PARTICIPATION OF ITS LOCAL
- 30 DETENTION CENTER OFFICERS IN THE CORRECTIONAL OFFICERS' RETIREMENT
- 31 SYSTEM ONLY IF:
- 32 (1) THE STATE SYSTEM OR LOCAL PLAN OF THE ELIGIBLE
- 33 GOVERNMENTAL UNIT REQUIRES MEMBER CONTRIBUTIONS AT THE SAME RATE AS
- 34 THE MEMBER CONTRIBUTION RATE THAT WOULD BE APPLICABLE TO THE LOCAL

- 1 DETENTION CENTER OFFICERS OF THE ELIGIBLE GOVERNMENTAL UNIT IN THE
- 2 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; OR
- 3 (2) THE ELIGIBLE GOVERNMENTAL UNIT:
- 4 (I) DOES NOT PROVIDE FOR THE EMPLOYER PICKUP OF
- 5 MEMBER CONTRIBUTIONS TO THE STATE SYSTEM OR LOCAL PLAN WITHIN THE
- 6 MEANING OF § 414(H)(2) OF THE INTERNAL REVENUE CODE; AND
- 7 (II) CERTIFIES THAT IT WILL NOT BECOME AN APPROVED
- 8 EMPLOYER UNDER § 21–313 OF THIS ARTICLE ON OR AFTER THE EFFECTIVE DATE
- 9 OF PARTICIPATION.
- 10 (C) (1) IF AN ELIGIBLE GOVERNMENTAL UNIT DOES NOT SATISFY THE
- 11 REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION, THE ELIGIBLE
- 12 GOVERNMENTAL UNIT MAY SUBMIT A REQUEST TO THE BOARD OF TRUSTEES TO
- 13 PARTICIPATE IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.
- 14 (2) THE BOARD OF TRUSTEES SHALL CONSIDER A REQUEST MADE
- 15 UNDER PARAGRAPH (1) OF THIS SUBSECTION AND DETERMINE WHETHER ANY
- 16 LEGISLATION IS NECESSARY TO ALLOW THE ELIGIBLE GOVERNMENTAL UNIT TO
- 17 PARTICIPATE IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.
- 18 (3) THE BOARD OF TRUSTEES SHALL MAKE RECOMMENDATIONS TO
- 19 THE JOINT COMMITTEE ON PENSIONS REGARDING ANY LEGISLATION THAT IT
- 20 DETERMINES IS NECESSARY TO ALLOW THE ELIGIBLE GOVERNMENTAL UNIT TO
- 21 PARTICIPATE IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.
- 22 31–2B–05.
- 23 (A) THIS SECTION APPLIES ONLY TO A LOCAL PLAN THAT IS A QUALIFIED
- 24 PLAN UNDER § 401(A) OF THE INTERNAL REVENUE CODE AND PROVIDES A DEFINED
- 25 BENEFIT TO ITS PARTICIPANTS.
- [(a)] (B) If an eligible governmental unit approves participation in the
- 27 Correctional Officers' Retirement System, the operation of the local [pension system] PLAN
- 28 or State system with respect to the local detention center officers terminates on the effective
- 29 date.
- 30 **[(b)] (C)** (1) On the effective date:
- 31 (i) the assets to the credit of the local [pension system] PLAN or
- 32 State system that relate to the local detention center officers who elect to become members
- 33 shall be transferred to the Correctional Officers' Retirement System; and

- 1 (ii) the trustee or other administrative head of the local [pension system] PLAN or State system shall certify the proportion of the funds of the local pension system that represents the accumulated contributions of the members as of that date.
- 4 (2) The accumulated contributions shall be credited to the respective annuity savings accounts of the members in the Correctional Officers' Retirement System.
- 6 (3) The balance of the funds transferred to the Correctional Officers' Retirement System shall be offset against the special accrued liability to be funded by the participating governmental unit as provided by § 21–306.1(d) of this article.
- 9 31-301.
- 10 (a) In this subtitle the following words have the meanings indicated.
- 11 (d) "Local pension system" means a retirement or pension system established by 12 the legislative body of an eligible governmental unit THAT IS A QUALIFIED PLAN UNDER 13 § 401(A) OF THE INTERNAL REVENUE CODE AND PROVIDES A DEFINED BENEFIT TO 14 ITS PARTICIPANTS.
- 15 31–302.
- (A) [The] SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE legislative body of a participating governmental unit may withdraw from participation in a State system and transfer to a local pension system or another State system any of the following groups of employees of the governmental unit who consent to the withdrawal, and who qualify for membership in the State system or local pension system:
- 21 (1) all employees of the participating governmental unit;
- 22 (2) fire fighters;
- 23 (3) law enforcement personnel;
- 24 (4) detention center officers; or
- 25 (5) subject to the approval of the Board of Trustees, a homogeneous unit of 26 at least 10 employees.
- 27 (B) A PARTICIPATING GOVERNMENTAL UNIT MAY WITHDRAW FROM 28 PARTICIPATION IN A STATE SYSTEM ONLY IF:
- 29 (1) THE NEW STATE SYSTEM OR LOCAL PENSION SYSTEM OF THE 30 PARTICIPATING GOVERNMENTAL UNIT REQUIRES MEMBER CONTRIBUTIONS AT THE 31 SAME RATE AS THE MEMBER CONTRIBUTION RATE APPLICABLE TO EMPLOYEES OF

1	THE PARTICIPATING GOVERNMENTAL UNIT IN THE STATE SYSTEM FROM WHICH THE
2	PARTICIPATING GOVERNMENTAL UNIT IS WITHDRAWING; OR
3	(2) THE PARTICIPATING GOVERNMENTAL UNIT:
4	(I) DOES NOT PROVIDE FOR THE EMPLOYER PICKUP OF
5	MEMBER CONTRIBUTIONS TO THE CURRENT STATE SYSTEM OF THE PARTICIPATING
6	GOVERNMENTAL UNIT WITHIN THE MEANING OF § 414(H)(2) OF THE INTERNAL
7	REVENUE CODE; AND
8	(II) CERTIFIES THAT IT WILL NOT BECOME AN APPROVED
9	EMPLOYER UNDER § 21–313 OF THIS ARTICLE ON OR AFTER THE EFFECTIVE DATE
0	OF PARTICIPATION IN THE NEW STATE SYSTEM OR LOCAL PENSION SYSTEM.
1	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
12	1, 2017.
	Approved:
	Governor.
	Governor.
	Speaker of the House of Delegates.
	President of the Senate.