

**BOARD OF TRUSTEES FOR THE
MARYLAND STATE RETIREMENT AND PENSION SYSTEM
MINUTES OF MEETING**

February 18, 2014

The Board of Trustees for the Maryland State Retirement and Pension System met in the Board Room of the SunTrust Building, 120 East Baltimore Street, Baltimore, Maryland beginning at 9:43 a.m.

The Trustees present included:

Nancy K. Kopp, Chairman, presiding	James Harkins
Peter Franchot, Vice Chairman	Linda Herman (via phone)
David Blitzstein	F. Patrick Hughes (via phone)
James Bush, Jr.	Major Morris Krome
John Douglass	Theresa Lochte (via phone)
Kenneth Haines (via phone)	

Agency Staff members attending included: R. Dean Kenderdine, Executive Director/Board Secretary

Anne Budowski	Anne Gawthrop	Van Lewis
Margaret Bury	Michael Golden	A. Melissa Moye
Melody Countess	Ira Greenstein	Kenneth Reott
Brian Feilinger	Angie Jenkins	Janet Sirkis
Patricia Fitzhugh		

Assistant Attorneys General present included: Deborah Bacharach, Kathy Brady, and Rachel Cohen.

Also attended by: John Kenney, Rick Norman and Riddhi Mehta-Neugebauer from UNITE HERE.

Consent Agenda

On a motion made by Mr. Blitzstein and seconded by Mr. Harkins, the Board approved the consent agenda, which included:

- January 21, 2014 Open Meeting Board Minutes
- February 4, 2014 Administrative Committee Report

2014
Legislative Position
Recommendations

Ms. Anne Gawthrop provided an overview of 2014 pension related legislation. *See Attachment A.*

Ms. Gawthrop updated the Board on the following legislation, which were previously presented to the Board:

House Bill 128/ Senate Bill 188	State Retirement and Pension System – Military Service Credit - Exception	No Position
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Ms. Gawthrop indicated that the Senate offered amendments regarding this legislation, which would remove the 8-yr restriction and open it up for all Judges.

While the Board took no position on this legislation, Treasurer Kopp and other trustees expressed concerns on the effects on benefits this legislation would have and directed staff to write to the chairs of the Senate and House Pension Oversight Committees informing them of this effect.

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House Bill 194	Optional Retirement Program – Payment of Benefits – Criteria	No Position
House Bill 231 / Senate Bill 235	State Retirement and Pension System – Correction of Errors	No Position
House Bill 377	State Retirement and Pension System - Department of Public Safety and Correctional Services Employees – Forfeiture of Retirement Benefits for Criminal Conviction	No Position

Ms. Gawthrop reported that a hearing on this bill was being held in Appropriations on February 18, 2014 at 1:00 p.m.

Ms. Gawthrop also reported that the Administrative Committee recommends taking no position on this legislation.

Major Krome commented that he voted against this bill at the Administrative Committee meeting.

Mr. Bush requested a copy of the background on the law regarding the Board's role concerning benefit legislation.

Mr. Harkins requested that the background be sent to all Board members.

House Bill 609	Employees' Pension System – Cash Balance Plan	Oppose
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Ms. Gawthrop reported that after review by the Board, written and oral testimony expressing concerns with the legislation were presented at the bill hearing before the House Appropriations Committee on February 11, 2014.

House Bill 612 / Senate Bill 575	State Retirement and Pension System - Code Simplification and Clarification	Board Requested
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Ms. Gawthrop reported that staff had provided technical amendments to the legislation which have been adopted and the legislation is progressing toward passage.

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House Bill 630 / Senate Bill 576	Teachers' Retirement and Pension System – Reemployment of Retirees - Penalty for Failure to Submit Certification	Board Requested
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Ms. Gawthrop reported that the legislation passed the Senate and was soon to be heard by the House.

Ms. Gawthrop presented the following newly introduced legislation to the Board.

On a motion made by Treasurer Kopp and seconded by Mr. Bush, the Board approved the 2014 legislative positions; summarized as follows:

House Bill 655	State Retirement and Pensions System – Member Contribution Rate – Reduction	Oppose
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Ms. Gawthrop reported that a hearing was being held on February 18, 2014 at 1:00 p.m. on this legislation.

Ms. Gawthrop reported that the Administrative Committee recommended that the Board oppose this legislation.

The Board felt that testimony in opposition of this legislation was needed to address the Board's concern that less money would be coming into the fund.

House Bill 708 / Senate Bill 665	Correctional Officers' Retirement System – Membership	No Position
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House Bill 805 / Senate Bill 763	Talbot County – Child Support Enforcement Administration – Transfer of Personnel	No Position
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House Bill 839	Law Enforcement Officers' Pension System – Deferred Retirement Option Program – Expanded Eligibility	No Position
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Ms. Gawthrop reported that this legislation would authorize members of LEOPS to participate in the DROP for 2 years if the member has at least 29 years and fewer than 34 years of creditable service. Currently, members of LEOPS may only participate in the DROP if they have less than 30 years of service.

Major Krome concurred that the Board should take no position, but with a written explanation.

House Bill 1046	City of College Park Employees – Participation in the Employees' Pension System	No Position
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House Bill 1047	Employees' Pension System – Prince George's County – Optional Membership	No Position
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House Bill 1171	State Retirement and Pension System – Correctional, Police, and Law Enforcement Officers – Forfeiture of Retirement Benefits for Criminal Conviction	No Position
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House Bill 1201 / Senate Bill 403	State and Local Retirement and Pension Systems – Assignment of Benefits to Trust for Disabled Individuals	No Position
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Ms. Gawthrop reported that the Administrative Committee recommends that the Board take no position on this legislation, but also recommend to the legislature that the issue be given further study over the 2014 interim to address legal and administrative concerns.

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recommendations for improvement to Agency staff.

Mr. Kenderdine invited any other Trustee who would like to participate in the Board Portal review, to join them.

Mr. Kenderdine reported that the Board review of its self-assessment and the tool used in the assessment will begin soon. Interviews will be set-up with Mr. Wells from the Schafer Center and each Trustee.

Mr. Kenderdine presented to the Board an annual checklist which provides a list of all actions required of the Board of Trustees and Committees each month as set by the Board's charters and policies.

Mr. Kenderdine informed the Board that going forward the agenda for each Board meeting will include a list of action items for the next meeting of the Board.

Resolution
Presentation

Mr. Kenderdine announced that after 30 years of service, Victoria Willard will be retiring.

Therefore, on behalf of the Board of Trustees, Treasurer Kopp and Comptroller Franchot presented Ms. Willard with a resolution in recognition of her 30 years of service.

Certification of the
2014 State Police
Retirement System
Trustee Election

Mr. Kenderdine certified to the Board that only one eligible candidate, Richard E. Norman, met the requirements to be included on the ballot for the 2014 State Police Retirement System Trustee Election.

Mr. Kenderdine indicated that when only a single candidate qualifies to be placed on the ballot, that candidate shall be considered nominated to serve as Trustee for his or her system and, upon the Board's certification, the candidate shall serve as trustee for the appropriate term. Mr. Norman would serve a four-year term beginning August 1, 2014 through July 31, 2018.

On a motion made by Mr. Harkins and seconded by Mr. Blitzstein, the Board certified that Mr. Norman is deemed nominated to serve as a trustee for four years, beginning August 1, 2014.

Treasurer Kopp acknowledged Mr. Norman and welcomed him to the Board. Citing his background and experience with the State Police particularly, as director of budget and administration, the Treasurer stated that Mr. Norman brings important skills to the Board and his position on it.

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The Comptroller also acknowledged Mr. Norman and spoke to the fact that Mr. Norman had recently accepted a position in the Office of the Comptroller as Director of Budget and Administration. The Comptroller stated that there would be no conflict for Mr. Norman in this regard as neither he nor Mr. Norman would have any involvement in each other's work as a trustee. Mr. Norman, as trustee, would function with complete independence from his duties at the Comptroller's office.

Major Krome said he was proud to put forward someone of Mr. Norman's caliber as his replacement; he was very trustworthy and qualified. He also said that he understands the Comptroller will do nothing to affect his representation of the State Police. Many troopers were already aware of Mr. Norman's new job, and the rest will be advised about Mr. Norman's employment with the Comptroller's Office.

CLOSED SESSION

On a motion made by Mr. Harkins and duly seconded, the Board voted to meet in a Closed Session (11:02 a.m.) in the Board Room of the SunTrust Building at 120 East Baltimore Street for the purpose of:

1. approving the closed session minutes, pursuant to State Government Article § 10-503(a)(1)(i), the exercise of an administrative function; and
2. approving the Medical Board reports, pursuant to State Government Article § 10-508(a)(13), to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.

The Trustees present included:

Nancy K. Kopp, Chairman, presiding
Peter Franchot, Vice Chairman
David Blitzstein
James Bush, Jr.
John Douglass
Kenneth Haines (via phone)

James Harkins
Linda Herman (via phone)
F. Patrick Hughes (via phone)
Major Morris Krome
Theresa Lochte (via phone)

Agency Staff members attending included: R. Dean Kenderdine, Executive Director/Board Secretary

Anne Budowski	Patricia Fitzhugh	Angie Jenkins
Margaret Bury (via phone)	Anne Gawthrop	Ken Reott
Melody Countess	Michael Golden	Janet Sirkis
Brian Feilinger		

Assistant Attorneys General present included: Deborah Bacharach, Kathy Brady and Rachel Cohen.

Also attended by: John Kenney

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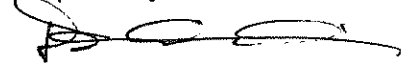
OPEN SESSION

The Board returned to open session at 11:07 a.m. in the Board Room of the SunTrust Building at 120 East Baltimore Street.

Adjournment

There being no further business before the Board, the meeting adjourned at 11:08 a.m.

Respectfully submitted,



R. Dean Kenderdine
Secretary to the Board

**BOARD OF TRUSTEES
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

***ADMINISTRATIVE COMMITTEE MEETING REPORT
FEBRUARY 4, 2014***

Adoption of Final
COMAR 22.01.14 –
Application for
Service Retirement

THIS MATTER WILL BE DISCUSSED OUTSIDE OF THE CONSENT AGENDA.

Ms. Anne Budowski presented to the Administrative Committee the regulations controlling the application of service retirement. Ms. Budowski reported that after approval by both the Administrative Committee and the full Board the regulations were published for comment. No comments were received.

Therefore, Ms. Budowski requested that the Administrative Committee approve, for recommendation to the Board, the final adoption of the regulations.

On a motion made by Ms. Lochte and seconded by Major Krome, the Administrative Committee approved, for recommendation to the Board, the final adoption of the regulations.

2014 Legislative
Update

THIS MATTER WILL BE DISCUSSED OUTSIDE OF THE CONSENT AGENDA.

Ms. Anne Gawthrop provided the Committee an overview of the 2014 pension related legislation.

Ms. Gawthrop reported on the following bills, which were submitted after the January 21, 2014 Board of Trustees meeting:

- House Bill 377 – State Retirement and Pension System – Department of Public Safety and Correctional Services Employees – Forfeiture of Retirement Benefits for Criminal Conviction.
- House Bill 609 – Employee's Pension System – Cash Balance Plan.
- House Bill 612/Senate Bill 575 – State Retirement and Pension System – Code Simplification and Clarification. This is Board requested legislation.
- House Bill 630/Senate Bill 576 – Teachers' Retirement and Pension System – Reemployment of Retirees – Penalty for Failure to Submit Certification. This is Board requested legislation.
- House Bill 655 – State Retirement and Pension System – Member Contribution Rate – Reduction.
- House Bill 708/Senate Bill 665 – Correctional Officers' Retirement System – Membership.
- Senate Bill 403 – State and Local Retirement and Pension Systems – Assignment of Benefits to Trust for Disabled Individuals.

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***ADMINISTRATIVE COMMITTEE MEETING REPORT
FEBRUARY 4, 2014***

The Administrative Committee agreed to vote on the bills as a whole, with the exception of House Bill 377, House Bill 655 and Senate Bill 403, which the Committee voted on individually.

Therefore, on a motion made by Ms. Lochte and seconded by Major Krome, the Administrative Committee approved the staff recommendations for recommendation to the Board; summarized as follows:

House Bill 609	Employees' Pension System – Cash Balance Plan	Oppose
House Bill 612 / Senate Bill 575	State Retirement and Pension System – Code Simplification and Clarification	Support
House Bill 630 / Senate Bill 576	Teachers' Retirement and Pension System – Reemployment of Retirees – Penalty for Failure to Submit Certification	Support
House Bill 708 / Senate Bill 665	Correctional Officers' Retirement System - Membership	No Position

By consensus, the Administrative Committee agreed to vote on the following bills, separately:

- › House Bill 377 – State Retirement and Pension System – Department of Public Safety and Correctional Services Employees – Forfeiture of Retirement Benefits for Criminal Conviction.

On a motion made by Ms. Lochte and seconded by Ms. Brogan, by a vote of 5 to 1, the Administrative Committee voted to support staff recommendations to take no position on this legislation. Voting in favor or the motion were the following Trustees: Ms. Brogan, Mr. Douglass, Mr. Harkins, Ms. Lochte and Mr. Romans. Opposing the motion was Major Krome.

- › House Bill 655 – State Retirement and Pension System – Member Contribution Rate – Reduction.

On a motion made by Ms. Lochte and seconded by Major Krome, the Administrative Committee voted to support staff recommendations to oppose this legislation.

- › House Bill 403 – State and Local Retirement and Pension Systems – Assignment of Benefits to Trust for Disabled Individuals.

On a motion made by Major Krome and seconded by Ms. Lochte, the

**BOARD OF TRUSTEES
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***ADMINISTRATIVE COMMITTEE MEETING REPORT
FEBRUARY 4, 2014***

Administrative Committee voted to support staff recommendations to oppose this legislation and recommend to the legislature that the issue be given further review over the 2014 interim to address legal and administrative concerns.

Member Services
Update

Ms. Anne Budowski updated the Committee on the performance of the Member Services Unit.

Ms. Budowski reported that for the month of December 2013, the average call wait time was 81 seconds and the call abandonment rate was 5.16%.

Ms. Budowski reported that despite having three vacancies, the unit was able to meet its goals.

Ms. Budowski also reported that of the survey responses received, 97.44% felt that the service provided to them was satisfactory or above.

On a motion made by Major Krome and seconded by Mr. Douglass, the Administrative Committee recommends that the Board submit a supplemental budget request to fully fund all deficiencies. Mr. Romans abstained.

Mr. Douglass requested that Mr. Kenderdine meet individually with Secretary Foster and Mr. Romans.

Board Work Plan

Mr. Kenderdine presented to the Administrative Committee, a document entitled Board Work Plan, which essentially is an annual checklist outlining, on a monthly basis, issues that are brought before the Board of Trustees for its review and/or action.

Mr. Kenderdine indicated that the Board Work Plan would be updated and distributed to each Trustee at the beginning of each year.

Ms. Lochte requested that the items being discussed each month be included with the agenda packet.

Update Concerning
Offset of
Overpayment Cases

Mr. Ken Reott updated the Administrative Committee on the status of the three overpayment issues that had previously been discussed with the Committee and the Board over the past several months. These issues involved two retirees, Arthur Delano and Joyce Mitchell, one individual, Coreta Osborne, who is both a retiree and an alternate payee under a Domestic Relations Order.

ATTACHMENT A

Legislative Update 2014 Session February 18, 2014

House Bill 128 (Frank)/Senate Bill 188 (Brochin)

State Retirement and Pension System – Military Service Credit - Exception

These bills provide that judges who are unable to serve 10 years on the bench due to mandatory retirement at age 70, may apply for up to five years of military service if that judge has accrued at least eight years of service credit in the Judges' Retirement System at the time the individual turns 70 and is required to retire from the JRS. These bills will sunset on June 30, 2015.

- Hearing in Appropriations – 2/11/14, 1:00 pm
- Hearing in Budget and Tax – 2/6/14, 9:00 am

The board is taking no position on this legislation.

House Bill 194 (Rosenberg)

Optional Retirement Program – Payment of Benefits – Criteria

This legislation requires that benefits payable under the Optional Retirement Program begin at the earlier of the date when the participating employee separates from employment or reaches age 70 ½ .

- No hearing scheduled in Appropriations at this time

The board is taking no position on this legislation.

House Bill 231 (The Speaker (By Request - Governor's Salary Commission))/ Senate Bill 235 (The President (By Request - Governor's Salary Commission))/ Governor – Pension and Health Benefits

These bills provide that an individual serving as Governor on or after January 21, 2015, is entitled to retiree health benefits upon retirement equal to 1/16th of the State subsidy allowed a state employee for each year served as Governor. In addition, these proposals increase the normal retirement age for an individual serving as Governor on or after January 21, 2015, from age 55 to age 62.

- No hearing scheduled in the House Rules and Executive Nominations Committee at this time
- Hearing in Budget and Tax – 1/28/14, 1:45 pm

The board is taking no position on this legislation.

House Bill 377 (Anderson)

State Retirement and Pension System – Department of Public Safety and Correctional Services Employees – Forfeiture of Retirement Benefits for Criminal Conviction

House Bill 377 prohibits an employee of the Department of Public Safety and Correctional Services who commits a crime subject to a penalty of at least 1 year incarceration from receiving benefits under the CORS if the member is found guilty of the crime.

- Hearing in Appropriations – 2/18/14, 1:00 pm

The Administrative Committee recommends taking no position on this legislation.

House Bill 609 (Serafini)

Employees’ Pension System – Cash Balance Plan

This proposed legislation provides existing members of the EPS the option to terminate their membership in the EPS and begin participating in a cash balance plan. In addition, the proposed legislation also gives new employees who would otherwise be enrolled in the EPS as a condition of employment, the option to participate in a cash balance plan rather than the EPS.

- Hearing in Appropriations – 2/11/14, 1:00 pm

After review by the Board, written and oral testimony expressing concerns with the legislation were presented at the bill hearing before the House Appropriations Committee on February 11, 2014.

**House Bill 612 (Griffith, as chair of the JCP)/Senate Bill 575 (Jones-Rodwell, as chair of the JCP)
State Retirement and Pension System – Code Simplification and Clarification**

This is board requested legislation and is the code simplification bill making technical corrections to various sections of the State Personnel and Pensions Article. Specifically, this bill makes technical and clarifying changes to: (1) the provisions addressing reemployment of Local Fire and Police retirees; (2) provisions addressing LEOPS and SPRS DROP and special disability awards; (3) withdrawn contributions from the pension systems; (4) obsolete purchase of service credit provisions in the TPS; (5) interest earned on accumulated contributions for former non-vested members; (6) the rollover provisions as they address Roth IRAs; and (7) the 2011 pension reforms.

- Hearing in Appropriations – 2/11/14, 1:00 pm
- Hearing in Budget and Tax – 2/6/14, 9:00 am

Board Requested Legislation

**House Bill 630 (Griffith, as chair of the JCP)/Senate Bill 576 (Jones-Rodwell, as chair of the JCP)
Teachers' Retirement and Pension System – Reemployment of Retirees – Penalty for Failure to Submit Certification**

This is board requested legislation amends the penalty assessed on school systems for fail to report reemployed retirees who are eligible to participate in the retire/rehire program. The current amount of the penalty equals the amount of the earnings offset that would have been applied if the retiree was not eligible to participate. House Bill 630/Senate Bill 576 reduce this penalty to \$50/month not to exceed \$1,000 for each retiree that is eligible to participate in the program but is not reported by the school system.

- Hearing in Appropriations – 2/11/14, 1:00 pm
- Passed the Senate unanimously – 2/14/14

Board Requested Legislation

House Bill 655 (Barkley)

State Retirement and Pension System – Member Contribution Rate – Reduction

House Bill 655 reduces the rate of member contributions for members of the Employees' Pension System, Teachers' Pension System, and Law Enforcement Officers' Pension System from 7% to 6% beginning July 1, 2014.

- Hearing in Appropriations – 2/18/14, 1:00 pm

The Administrative Committee recommends opposing this legislation.

House Bill 708 (Serafini)/Senate Bill 665 (Edwards)

Correctional Officers' Retirement System – Membership

This proposed legislation alters membership in the CORS to include individuals who begin serving in positions as security chief, facility administrator, assistant warden, and warden on or after July 1, 2014. In addition, House Bill 708/Senate Bill 665 also provide that individuals currently serving in those positions and who are members of the EPS may elect to transfer to the CORS on or before December 31, 2014.

- Hearing in Appropriations – 2/25/14, 1:00 pm
- Hearing in Budget and Tax – 2/20/14, 8:30 am

The Administrative Committee recommends taking no position on this legislation.

House Bill 805 (Haddaway-Ricco)/Senate Bill 763 (Colburn)

Talbot County – Child Support Enforcement Administration – Transfer of Personnel

These bills transfer the functions, powers, duties, and personnel of the Talbot County Department of Social Services Office of Child Support Enforcement to the Child Support Enforcement Administration on July 1, 2014. House Bill 805/Senate Bill 763 require that each transferred employee retain their service credit in the Employees' Pension System at the time of the transfer since current employees are already members of the EPS through their employment with Talbot County.

- Hearing in Appropriations – 2/25/14, 1:00 pm
- Hearing in Budget and Tax – 2/27/14, 1:00 pm

Staff recommends taking no position on this legislation.

House Bill 839 (Serafini)

Law Enforcement Officers' Pension System - Deferred Retirement Option Program - Expanded Eligibility

This proposal would authorize members of LEOPS to participate in the DROP for 2 years if the member has at least 29 years and fewer than 34 years of creditable service. Currently, members of LEOPS may only participate in the DROP if they have less than 30 years of service.

- No hearing scheduled in Appropriations at this time

Staff recommends taking no position on this legislation.

House Bill 1046 (Prince George's County Delegation)

City of College Park Employees – Participation in the Employees' Pension System

This proposed legislation would permit the employees of the City of College Park to join the EPS as a participating governmental unit. The provisions of House Bill 1046 provide that current employees of the City of College Park will receive service credit in the EPS equal to 60% of the employee's service with the City of College Park.

- Hearing in Appropriations – 2/25/14, 1:00 pm

Staff recommends taking no position on this legislation.

House Bill 1047 (Prince George's County Delegation)

Employees' Pension System – Prince George's County – Optional Membership

This legislation provides that certain Prince George's County elected or appointed officials may elect to join the Employees' Pension System. House Bill 1047 also clarifies that membership is mandatory for certain Prince George's County elected or appointed officials who are already enrolled in the EPS.

- Hearing in Appropriations – 2/25/14, 1:00 pm

Staff recommends taking no position on this legislation.

House Bill 1171 (Carter)

State Retirement and Pension System – Correctional, Police, and Law Enforcement Officers – Forfeiture of Retirement Benefits for Criminal Conviction

House Bill 1171 prohibits public safety employees of the State who commits a crime subject to a penalty of at least 1 year incarceration from receiving benefits under their respective pension or retirement systems if the member is found guilty of the crime.

- Hearing in Appropriations – 2/18/14, 1:00 pm

Staff recommends taking no position on this legislation.

House Bill 1201(Smigel)/Senate Bill 403 (Kelley)

State and Local Retirement and Pension Systems – Assignment of Benefits to Trust for Disabled Individuals

House Bill 1201/Senate Bill 403 provide that a retiree or beneficiary of one of the several systems or any local system throughout the state may have their retirement allowance assigned to a special needs trust established for their benefit. The Board of Trustee is responsible for ensuring that the trust document submitted on behalf of a retiree or beneficiary of one of the several systems establishes a valid trust.

- Hearing in Appropriations – 2/18/14, 1:00 pm
- Hearing in Budget and Tax – 2/6/14, 9:00 am

The Administrative Committee recommends opposing this legislation, but also recommends to the legislature that the issue be given further review over the 2014 interim to address legal and administrative concerns.

House Bill 1209 (DeBoy)/Senate Bill 916 (Peters)

State Retirement and Pension System – Parole and Probation Employees – Membership in Correctional Officers' Retirement System

This proposed legislation would transfer parole and probation employees who are currently members of the EPS into the CORS.

- No hearing scheduled in Appropriations at this time
- No hearing scheduled in Budget and Tax at this time

Staff recommends taking no position on this legislation.

House Bill 1251 (Hucker)/Senate Bill 921 (Rosapepe)

Maryland Secure Choice Retirement Savings Program and Trust

This proposal establishes a Maryland Secure Choice Retirement Savings Trust intended to promote greater retirement savings for Maryland private sector employees in a convenient, voluntary, low-cost, and portable manner. The Trust is managed by a board of eight individuals, including the Treasurer, the Comptroller, the Secretary of Budget and Management, and five individuals appointed by the Governor. The funds of the Trust may be invested by the Treasurer, through a contract with the Board of Trustees for the State Retirement and Pension System, or private money managers. The bill provides that private sector employers shall offer their employees the option to participate in a payroll-deposit IRA arrangement. For the first three months, employer participation in this program is optional. Beginning at the start of the fourth month, and every three months thereafter, employer participation is mandatory depending on the number of employees each eligible employer has employed. Full participation is mandated by the ninth month of the program's inception.

- Hearing in Economic Matters – 3/4/14, 1:00 pm
- Hearing in Budget and Tax – 2/20, 8:30 am

Staff recommends taking no position on this legislation

House Bill 1274 (Cluster)

Correctional Services – Baltimore City Detention Center – Transfer of Ownership

House Bill 1274 transfers ownership of the Baltimore city Detention Center from the State to Baltimore City beginning January 1, 2015. All current employees of the Baltimore City Detention Center will be terminated from State employment on December 31, 2014. The Mayor for Baltimore City will have the option to hire these same individuals. Current employees of the Baltimore City Detention Center will have the option to remain in the CORS or join the Baltimore City Employees' Retirement System. For those employees who remain in the CORS, Baltimore City will be responsible for submitting the employer contributions for these individuals to the State.

- No hearing scheduled in Appropriations at this time

Staff recommends taking no position on this legislation

House Joint Resolution 1 (Serafini)

General Assembly Compensation Commission – Recommendations – Employees’ Pension System

This resolution rejects all recommendations made by the General Assembly Compensation Commission in its 2014 Resolution to the General Assembly, including those recommendations addressing legislative salaries and retirement benefits. In addition, House Joint Resolution 1 provides that beginning January 14, 2015, every member of the General Assembly shall become a member of the Employees’ Pension System. Members of the General Assembly who are enrolled in the Legislative Pension Plan before January 14, 2015, and have 8 or more years of service as of that date will receive a benefit from the Legislative Pension Plan based on that service and may not transfer that service into the Employees’ Pension System. Members of the General Assembly who are enrolled in the Legislative Pension Plan before January 14, 2015, and have less than 8 years of service as of that date may purchase the additional years needed to reach 8 years, receive a refund of their employee contributions from the Legislative Pension Plan, or transfer their service credit from the Legislative Pension Plan to the Employees’ Pension System.

- No hearing scheduled in the House Rules and Executive Nominations Committee at this time

The board is taking no position on this legislation.

Senate Bill 885 (Jones-Rodwell)

State Pension System – Concessionaires and Other Private Entities – Participation

Senate Bill 885 requires that a concessionaire or other private entity that performs services under a public-private partnership that includes activities related to a transit facility and the employees of the concessionaire or other private entity to participate in the EPS.

- Hearing in Budget and Tax – 2/20, 8:30 am

Staff recommends opposing this legislation.

Senate Bill 939 (Shank)

State Retirement and Pension System - Service Credit for Leave of Absence – Extension of Purchase Period

This proposed legislation authorizes the Executive Director of the State Retirement Agency under certain circumstances to extend the period of time during which members of the State Retirement and Pension System who are separated from employment may purchase service credit for a leave of absence if the purchased service credit would allow the member to meet the eligibility service requirements to apply for an ordinary disability retirement.

- No hearing scheduled in the Senate Rules Committee at this time

Staff recommends taking no position on this legislation.