

HOUSE BILL 1139

P6

(6lr2466)

ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **Delegate Forbes (Chair, Joint Committee on Pensions)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **State Retirement and Pension System – ~~Eligible Governmental Units~~**
3 **Administration and Clarification**

4 FOR the purpose of *altering the dates by which certain local employers are required to pay*
5 *the State Retirement and Pension System a certain amount of the charges certified to*
6 *the local employer; clarifying the interest rate a county government is charged for*
7 *certain delinquent amounts owed to the State Retirement and Pension System;*
8 clarifying that an eligible governmental unit of the Employees' Pension System, the
9 Law Enforcement Officers' Pension System, and the Correctional Officers'
10 Retirement System that satisfies certain requirements is eligible to participate in a
11 certain system of the State Retirement and Pension System only if all employees of
12 the eligible governmental unit participate in the certain system; *clarifying the list of*
13 *positions that have immediate vesting rights in the State Retirement and Pension*
14 *System;* clarifying that certain documentation by an eligible governmental unit
15 electing to participate in the Employees' Pension System, the Law Enforcement

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



Officers' Pension System, or the Correctional Officers' Retirement System shall include certain properly completed election forms; and generally relating to participating governmental units in the State Retirement and Pension System.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21–309.1, 21–309.2, 23–204(a), 29–304(20) through (23), 31–109, 31–109.1, 31–111, 31–2A–03, 31–2A–03.1, 31–2A–04, 31–2B–03, 31–2B–03.1, and 31–2B–04

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)

BY repealing

Article – State Personnel and Pensions

Section 29–304(19)

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

Section 31–101(a), (d), and (e), 31–102, 31–2A–01(a) and (c), 31–2A–02, 31–2B–01(a) and (c), and 31–2B–02

Annotated Code of Maryland

(2024 Replacement Volume and 2025 Supplement)

~~BY repealing and reenacting, with amendments,~~

~~Article – State Personnel and Pensions~~

~~Section 31–109, 31–109.1, 31–2A–03, 31–2A–03.1, 31–2B–03, and 31–2B–03.1~~

~~Annotated Code of Maryland~~

~~(2024 Replacement Volume and 2025 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

21–309.1.

(a) (1) In this section the following words have the meanings indicated.

(2) “Local employee” has the meaning stated in § 21–304 of this subtitle.

(3) “Local employer” has the meaning stated in § 21–304 of this subtitle.

(b) On or before December 1 of each year, the Board of Trustees shall determine and certify the amounts payable by each local employer under § 21–304(b)(4) of this subtitle for the next fiscal year.

1 (c) On or before October 1, January 1, [April 1] **APRIL 16**, and June 1 of each
2 fiscal year, each local employer shall pay to the Board of Trustees 25% of the amount of the
3 charges certified to the local employer by the Board of Trustees under subsection (b) of this
4 section.

5 (d) (1) The Secretary of the Board of Trustees may allow a grace period not to
6 exceed 10 calendar days for payment of the amounts certified under this section.

7 (2) If a local employer does not pay the amounts required under this section
8 within the time required, on notification by the Secretary of the Board of Trustees that a
9 delinquency exists, the State Comptroller immediately:

10 (i) shall withhold the delinquent amounts, including interest on the
11 delinquent amounts at a rate of 7.75% a year, from any installment due the local employer
12 from the General State School Fund; and

13 (ii) shall pay to the Board of Trustees the delinquent amounts,
14 including interest, withheld under this paragraph.

15 (e) On receipt of the payments from each local employer or the State Comptroller,
16 the Board of Trustees shall credit these amounts to the accumulation fund of the
17 appropriate State system.

18 21-309.2.

19 (a) For purposes of making determinations under this section, the Teachers'
20 Pension System and the Teachers' Retirement System shall be considered together as one
21 State system.

22 (b) (1) For fiscal year 2026, each county government shall pay to the Board of
23 Trustees on or before January 1, 2026, the amount specified for that county government
24 under § 21-304(b)(6) of this subtitle.

25 (2) Beginning in fiscal year 2027, each county government shall pay to the
26 Board of Trustees on or before each September 1 the amount specified for that county
27 government under § 21-304(b)(6) of this subtitle.

28 (c) (1) The Secretary of the Board of Trustees may allow a grace period not to
29 exceed 10 calendar days for payment of the amounts certified under this section.

30 (2) If a county government does not pay the amounts required under this
31 section within the time required, on notification by the Secretary of the Board of Trustees
32 that a delinquency exists, the State Comptroller immediately shall:

33 (i) exercise the right of setoff against any money due or coming due
34 to the delinquent county government; and

1 (ii) pay to the Board of Trustees the delinquent amounts, including
2 interest ON THE DELINQUENT AMOUNTS AT A RATE OF 7.75% A YEAR, withheld in
3 accordance with this paragraph.

4 (d) On receipt of the payments from each county government or the State
5 Comptroller, the Board of Trustees shall credit the amounts received to the accumulation
6 funds of the Teachers' Pension System and the Teachers' Retirement System.

7 23-204.

8 (a) (1) Membership in the Employees' Pension System is optional for an
9 individual who is:

10 (i) an official, elected or appointed for a fixed term;

11 (ii) an employee of the Governor's office;

12 (iii) an employee of the Senate or House of Delegates;

13 (iv) a member of the Prince George's County Board of License
14 Commissioners;

15 (v) an employee of Dorchester County who is not and has not
16 previously been a member of the county's general pension and retirement program or any
17 other plan sponsored by Dorchester County; or

18 (vi) except as provided in subsection (g) of this section, an employee
19 of a participating governmental unit who is employed by the participating governmental
20 unit before the effective date of participation and who remains an employee of the
21 participating governmental unit through the effective date of participation.

22 (2) An individual described under paragraph (1)(i) through (v) of this
23 subsection who elects to join the Employees' Pension System shall make the election at
24 commencement of employment by filing a written application with the Board of Trustees
25 on a form that the Board of Trustees provides.

26 (3) An individual described under paragraph (1)(vi) of this subsection who
27 elects to join the Employees' Pension System shall make the election prior to the effective
28 date of participation by filing a written application with the Board of Trustees on a form
29 that the Board of Trustees provides.

30 (4) An election to join the Employees' Pension System under this
31 subsection is a one-time, irrevocable election.

1 (5) (1) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL DESCRIBED
 2 UNDER PARAGRAPH (1)(I) THROUGH (V) OF THIS SUBSECTION.

3 (II) If an election to join the Employees' Pension System is not
 4 received by the Board of Trustees within the period of time described in paragraph (2) or
 5 (3) of this subsection, the individual may not elect to join the Employees' Pension System
 6 while employed in that position.

7 (6) (1) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL DESCRIBED
 8 UNDER PARAGRAPH (1)(VI) OF THIS SUBSECTION.

9 (II) IF AN ELECTION TO JOIN THE EMPLOYEES' PENSION
 10 SYSTEM IS NOT RECEIVED BY THE BOARD OF TRUSTEES WITHIN THE PERIOD OF
 11 TIME DESCRIBED IN PARAGRAPH (3) OF THIS SUBSECTION, THE INDIVIDUAL IS
 12 DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM
 13 WHILE EMPLOYED IN THAT POSITION.

14 [(6)] (7) The Board of Trustees shall adopt regulations to implement this
 15 subsection.

16 29-304.

17 An individual shall have immediate vesting rights on taking office in the State system
 18 in which the individual is a member if the individual is the:

19 [(19)] (19) Special Secretary of the Office of Small, Minority, and Women Business
 20 Affairs;]

21 [(20)] (19) Special Secretary of the Governor's Office for Children;

22 [(21)] (20) State Archivist;

23 [(22)] (21) State Prosecutor of the State Prosecutor's Office; or

24 [(23)] (22) State Superintendent of Schools.

25 31-101.

26 (a) In this subtitle the following words have the meanings indicated.

27 (d) “Eligible governmental unit” means a governmental unit that is eligible to
 28 participate in the employees' systems under § 31-102 of this subtitle.

29 (e) (1) “Employee” means a regular employee of an eligible governmental unit.

1 (2) “Employee” includes an officer of an eligible governmental unit.

2 (3) “Employee” does not include a contractual, emergency, or temporary
3 extra employee.

4 31–102.

5 Subject to § 22–202(b) of this article and § 31–109 of this subtitle, the governmental
6 units that are eligible to participate in the employees’ systems are:

7 (1) a political subdivision of the State, including:

8 (i) a county;

9 (ii) a municipal corporation; and

10 (iii) a special taxing area; and

11 (2) the following governmental units:

12 (i) an agency on aging, as designated by the legislative body of the
13 agency on aging;

14 (ii) the Allegheny County Transit Authority;

15 (iii) subject to § 31–104 of this subtitle, the Baltimore Metropolitan
16 Council;

17 (iv) a board or commission created by an Act of the General Assembly
18 for public purpose and not for the profit of a private person;

19 (v) subject to § 31–105 of this subtitle, the Canal Place Preservation
20 and Development Authority;

21 (vi) the Chesapeake Bay Commission;

22 (vii) a cooperative library commission;

23 (viii) subject to § 31–103 of this subtitle, a community action agency,
24 as designated by the legislative body of the community action agency;

25 (ix) a fire department that receives any of its funds from or through
26 a county, municipal corporation, special taxing area, or other political subdivision of the
27 State;

28 (x) the Health Planning Council of Appalachia;

- 1 (xi) the Howard County Economic Development Authority;
- 2 (xii) the Interstate Commission on the Potomac River Basin;
- 3 (xiii) the Lower Shore Private Industry Council, Inc.;
- 4 (xiv) the Maryland Environmental Service;
- 5 (xv) subject to § 31–106 of this subtitle, the Maryland Stadium
6 Authority;
- 7 (xvi) a public library association or organization;
- 8 (xvii) subject to § 31–106.2 of this subtitle, the St. Mary’s Nursing
9 Center, Inc.;
- 10 (xviii) the Tri–County Council for Western Maryland, Inc.;
- 11 (xix) the Tri–County Council for Southern Maryland;
- 12 (xx) subject to § 31–107 of this subtitle, the University of Maryland
13 Medical System Corporation;
- 14 (xxi) the Upper Potomac River Commission;
- 15 (xxii) subject to § 31–106.1 of this subtitle, the Maryland African
16 American Museum Corporation;
- 17 (xxiii) the Garrett County Office for Children, Youth and Families;
- 18 (xxiv) the Somerset County Economic Development Commission; and
- 19 (xxv) the Dorchester County Sanitary Commission.

20 31–109.

21 (a) Subject to subsection (b) of this section, the legislative body of an eligible
22 governmental unit may approve participation by its employees in the Employees’ Pension
23 System if:

24 (1) the legislative body adopts a resolution in the form prescribed by the
25 Board of Trustees; and

26 (2) the eligible governmental unit operates a local plan, only if:

27 (i) at least 60% of the members of the local plan petition to become
28 members of the Employees’ Pension System;

1 (ii) the eligible governmental unit satisfies the requirements in
2 subsection (b) of this section; and

3 (iii) the legislative body approves participation of the eligible
4 governmental unit in the Employees' Pension System as though the local plan were not in
5 operation.

6 (b) An eligible governmental unit that operates a local plan may approve
7 participation by its employees in the Employees' Pension System only if:

8 (1) the local plan of the eligible governmental unit requires member
9 contributions at the same rate as the member contribution rate that would be applicable to
10 employees of the 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 member
13 contributions to the local plan within the meaning of § 414(h)(2) of the Internal Revenue
14 Code; and

15 (ii) certifies that it will not become an approved employer under §
16 21-313 of this article on or after the effective date of participation.

17 (c) (1) If an eligible governmental unit does not satisfy the requirements
18 under subsection (b) of this section, the eligible governmental unit may submit a request to
19 the Board of Trustees to participate in the Employees' Pension System.

20 (2) The Board of Trustees shall consider a request made under paragraph
21 (1) of this subsection and determine whether any legislation is necessary to allow the
22 eligible governmental unit to participate in the Employees' Pension System.

23 (3) The Board of Trustees shall make recommendations to the Joint
24 Committee on Pensions regarding any legislation that it determines is necessary to allow
25 the eligible governmental unit to participate in the Employees' Pension System.

26 **(D) AN ELIGIBLE GOVERNMENTAL UNIT THAT SATISFIES THE**
27 **REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION IS ELIGIBLE TO**
28 **PARTICIPATE IN THE EMPLOYEES' PENSION SYSTEM ONLY IF THE ELIGIBLE**
29 **GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO ALL ELIGIBLE**
30 **EMPLOYEES OF THE ELIGIBLE GOVERNMENTAL UNIT ~~PARTICIPATE IN THE~~**
31 **~~EMPLOYEES' PENSION SYSTEM.~~**

32 31-109.1.

1 (a) Except as provided in subsection (b) of this section, the effective date of
2 participation for an eligible governmental unit is July 1 of the year following the fiscal year
3 in which the eligible governmental unit elects to participate in the Employees' Pension
4 System.

5 (b) (1) If an eligible governmental unit does not provide the Board of Trustees
6 with the necessary documentation to join the Employees' Pension System on or before the
7 effective date for the eligible governmental unit, the effective date shall be postponed until
8 July 1 of the second year following the fiscal year in which the eligible governmental unit
9 elects to participate in the Employees' Pension System.

10 (2) ~~(I) AN ELIGIBLE GOVERNMENTAL UNIT SHALL CERTIFY TO THE~~
11 ~~STATE RETIREMENT AGENCY THAT THE ELIGIBLE GOVERNMENTAL UNIT PROVIDED~~
12 ~~EACH OF ITS EMPLOYEES WHO ARE ELIGIBLE TO ELECT OPTIONAL MEMBERSHIP IN~~
13 ~~THE EMPLOYEES' PENSION SYSTEM WITH THE NECESSARY DOCUMENTATION~~
14 ~~REQUIRED BY THE STATE RETIREMENT AGENCY TO MAKE THAT ELECTION.~~

15 ~~(H) FOR ANY EMPLOYEE OF AN ELIGIBLE GOVERNMENTAL UNIT~~
16 ~~WHO IS ELIGIBLE FOR OPTIONAL MEMBERSHIP TO ELECT TO PARTICIPATE IN THE~~
17 ~~EMPLOYEES' PENSION SYSTEM, THE NECESSARY DOCUMENTATION UNDER~~
18 ~~SUBPARAGRAPH (I) OF THIS PARAGRAPH PARAGRAPH (1) OF THIS SUBSECTION~~
19 ~~SHALL INCLUDE PROPERLY COMPLETED ELECTION FORMS INDICATING EITHER~~
20 ~~THAT:~~

21 ~~1. (I) THE EMPLOYEE INTENDS TO PARTICIPATE IN THE~~
22 ~~EMPLOYEES' PENSION SYSTEM; OR~~

23 ~~2. (II) THE EMPLOYEE INTENDS TO OPT OUT OF~~
24 ~~PARTICIPATION IN THE EMPLOYEES' PENSION SYSTEM.~~

25 (3) (I) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY
26 DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE
27 IN OR OPT OUT OF PARTICIPATION IN THE EMPLOYEES' PENSION SYSTEM IS
28 DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE EMPLOYEES' PENSION
29 SYSTEM.

30 (II) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE
31 ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY
32 DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE
33 IN OR OPT OUT OF PARTICIPATION IN THE EMPLOYEES' PENSION SYSTEM SHALL
34 EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT AGENCY
35 STATING:

1 **1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT**
2 **THE NECESSARY DOCUMENTATION; AND**

3 **2. THE DATE WHEN THE APPOINTING AUTHORITY**
4 **PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.**

5 **(III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY**
6 **DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO**
7 **SUBMIT UNDER THIS SUBSECTION TO JOIN THE EMPLOYEES' PENSION SYSTEM.**

8 31-111.

9 (a) Except as provided in subsection (b) of this section and §§ 31-111.1, 31-111.3,
10 31-111.4, 31-111.5, 31-111.6, 31-111.7, and 31-111.8 of this subtitle, if an employee of a
11 participating governmental unit joins the Employees' Pension System on the effective date,
12 the employee [is entitled to] SHALL RECEIVE 100% service credit for THE EMPLOYEE'S
13 employment with the participating governmental unit before the effective date.

14 (b) If an employee of the Baltimore Metropolitan Council elects to become a
15 member of the Employees' Retirement System or the Employees' Pension System, the
16 employee may not receive credit for service from July 1, 1992, to the effective date unless
17 the employee pays to the Board of Trustees the amount of the member contributions the
18 employee would have made during that period, plus regular interest.

19 31-2A-01.

20 (a) In this subtitle the following words have the meanings indicated.

21 (c) "Eligible governmental unit" means a governmental unit that is eligible to
22 participate in the Law Enforcement Officers' Pension System under § 31-2A-02 of this
23 subtitle.

24 31-2A-02.

25 Subject to § 31-2A-03 of this subtitle, the governmental units that are eligible to
26 participate in the Law Enforcement Officers' Pension System are:

27 (1) counties; and

28 (2) municipal corporations.

29 31-2A-03.

30 (a) Subject to subsection (b) of this section, the legislative body of an eligible
31 governmental unit may approve participation by its law enforcement officers, firefighters,
32 or emergency medical technicians in the Law Enforcement Officers' Pension System if:

1 (1) the legislative body adopts a resolution in the form prescribed by the
2 Board of Trustees; and

3 (2) the eligible governmental unit participates in a State system or
4 operates a local plan, only if:

5 (i) at least 60% of the law enforcement officers, firefighters, or
6 emergency medical technicians of the eligible governmental unit petition to become
7 members of the Law Enforcement Officers' Pension System;

8 (ii) the eligible governmental unit satisfies the requirements in
9 subsection (b) of this section; and

10 (iii) the legislative body approves participation of its law enforcement
11 officers, firefighters, or emergency medical technicians in lieu of participation in the State
12 system or local plan.

13 (b) An eligible governmental unit that operates a local plan or participates in a
14 State system may approve participation of its law enforcement officers, firefighters, or
15 emergency medical technicians in the Law Enforcement Officers' Pension System only if:

16 (1) the State system or local plan of the eligible governmental unit requires
17 member contributions at the same rate as the member contribution rate that would be
18 applicable to the law enforcement officers, firefighters, or emergency medical technicians
19 of the eligible governmental unit in the Law Enforcement Officers' Pension System; or

20 (2) the eligible governmental unit:

21 (i) does not provide for the employer pickup of member
22 contributions to the State system or local plan within the meaning of § 414(h)(2) of the
23 Internal Revenue Code; and

24 (ii) certifies that it will not become an approved employer under §
25 21-313 of this article on or after the effective date of participation.

26 (c) (1) If an eligible governmental unit does not satisfy the requirements
27 under subsection (b) of this section, the eligible governmental unit may submit a request to
28 the Board of Trustees to participate in the Law Enforcement Officers' Pension System.

29 (2) The Board of Trustees shall consider a request made under paragraph
30 (1) of this subsection and determine whether any legislation is necessary to allow the
31 eligible governmental unit to participate in the Law Enforcement Officers' Pension System.

32 (3) The Board of Trustees shall make recommendations to the Joint
33 Committee on Pensions regarding any legislation that it determines is necessary to allow

1 the eligible governmental unit to participate in the Law Enforcement Officers' Pension
2 System.

3 (D) AN ELIGIBLE GOVERNMENTAL UNIT THAT SATISFIES THE
4 REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION IS ELIGIBLE TO
5 PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM ONLY IF
6 THE ELIGIBLE GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO ALL
7 ELIGIBLE LAW ENFORCEMENT OFFICERS, FIREFIGHTERS, OR EMERGENCY MEDICAL
8 TECHNICIANS OF THE ELIGIBLE GOVERNMENTAL UNIT ~~PARTICIPATE IN THE LAW~~
9 ~~ENFORCEMENT OFFICERS' PENSION SYSTEM.~~

10 31-2A-03.1.

11 (a) Except as provided in subsection (b) of this section, the effective date of
12 participation for an eligible governmental unit is July 1 of the year following the fiscal year
13 in which the eligible governmental unit elects to participate in the Law Enforcement
14 Officers' Pension System.

15 (b) (1) If an eligible governmental unit does not provide the Board of Trustees
16 with the necessary documentation to join the Law Enforcement Officers' Pension System
17 on or before the effective date for the eligible governmental unit, the effective date shall be
18 postponed until July 1 of the second year following the fiscal year in which the eligible
19 governmental unit elects to participate in the Law Enforcement Officers' Pension System.

20 (2) ~~(H) AN ELIGIBLE GOVERNMENTAL UNIT SHALL CERTIFY TO THE~~
21 ~~STATE RETIREMENT AGENCY THAT THE ELIGIBLE GOVERNMENTAL UNIT PROVIDED~~
22 ~~EACH OF ITS EMPLOYEES WHO ARE ELIGIBLE TO ELECT OPTIONAL MEMBERSHIP IN~~
23 ~~THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM WITH THE NECESSARY~~
24 ~~DOCUMENTATION REQUIRED BY THE STATE RETIREMENT AGENCY TO MAKE THAT~~
25 ~~ELECTION.~~

26 ~~(H)~~ FOR ANY EMPLOYEE OF AN ELIGIBLE GOVERNMENTAL UNIT
27 WHO IS ELIGIBLE ~~FOR OPTIONAL MEMBERSHIP~~ TO ELECT TO PARTICIPATE IN THE
28 LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, THE NECESSARY
29 DOCUMENTATION UNDER ~~SUBPARAGRAPH (I) OF THIS PARAGRAPH~~ PARAGRAPH (1)
30 OF THIS SUBSECTION SHALL INCLUDE PROPERLY COMPLETED ELECTION FORMS
31 INDICATING EITHER THAT:

32 ~~1.~~ (I) THE EMPLOYEE INTENDS TO PARTICIPATE IN THE
33 LAW ENFORCEMENT OFFICERS' PENSION SYSTEM; OR

34 ~~2.~~ (II) THE EMPLOYEE INTENDS TO OPT OUT OF
35 PARTICIPATION IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.

1 **(3) (i) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY**
2 **DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE**
3 **IN OR OPT OUT OF PARTICIPATION IN THE LAW ENFORCEMENT OFFICERS' PENSION**
4 **SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE LAW ENFORCEMENT**
5 **OFFICERS' PENSION SYSTEM.**

6 **(ii) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE**
7 **ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY**
8 **DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE**
9 **IN OR OPT OUT OF PARTICIPATION IN THE LAW ENFORCEMENT OFFICERS' PENSION**
10 **SYSTEM SHALL EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT**
11 **AGENCY STATING:**

12 **1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT**
13 **THE NECESSARY DOCUMENTATION; AND**

14 **2. THE DATE WHEN THE APPOINTING AUTHORITY**
15 **PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.**

16 **(iii) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY**
17 **DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO**
18 **SUBMIT UNDER THIS SUBSECTION TO JOIN THE LAW ENFORCEMENT OFFICERS'**
19 **PENSION SYSTEM.**

20 31-2A-04.

21 If a law enforcement officer, firefighter, emergency medical technician, or paramedic
22 joins the Law Enforcement Officers' Pension System on the effective date, the member [is
23 entitled to] SHALL RECEIVE 100% SERVICE credit for THE MEMBER'S employment with
24 the participating governmental unit before the effective date.

25 31-2B-01.

26 (a) In this subtitle the following words have the meanings indicated.

27 (c) "Eligible governmental unit" means a governmental unit that is eligible to
28 participate in the Correctional Officers' Retirement System under § 31-2B-02 of this
29 subtitle.

30 31-2B-02.

31 Subject to § 31-2B-03 of this subtitle, the governmental units that are eligible to
32 participate in the Correctional Officers' Retirement System are:

33 (1) counties; and

1 (2) municipal corporations.

2 31-2B-03.

3 (a) Subject to subsection (b) of this section, the legislative body of an eligible
4 governmental unit may approve participation by its local detention center officers in the
5 Correctional Officers' Retirement System if:

6 (1) the legislative body adopts a resolution in the form prescribed by the
7 Board of Trustees; and

8 (2) the eligible governmental unit participates in a State system or
9 operates a local plan for its local detention center officers, only if:

10 (i) at least 60% of the local detention center officers of the eligible
11 governmental unit petition to become members of the Correctional Officers' Retirement
12 System;

13 (ii) the eligible governmental unit satisfies the requirements in
14 subsection (b) of this section; and

15 (iii) the legislative body approves participation of its local detention
16 center officers in lieu of participation in the State system or local plan.

17 (b) An eligible governmental unit that operates a local plan or participates in a
18 State system may approve participation of its local detention center officers in the
19 Correctional Officers' Retirement System only if:

20 (1) the State system or local plan of the eligible governmental unit requires
21 member contributions at the same rate as the member contribution rate that would be
22 applicable to the local detention center officers of the eligible governmental unit in the
23 Correctional Officers' Retirement System; or

24 (2) the eligible governmental unit:

25 (i) does not provide for the employer pickup of member
26 contributions to the State system or local plan within the meaning of § 414(h)(2) of the
27 Internal Revenue Code; and

28 (ii) certifies that it will not become an approved employer under §
29 21-313 of this article on or after the effective date of participation.

30 (c) (1) If an eligible governmental unit does not satisfy the requirements
31 under subsection (b) of this section, the eligible governmental unit may submit a request to
32 the Board of Trustees to participate in the Correctional Officers' Retirement System.

1 (2) The Board of Trustees shall consider a request made under paragraph
 2 (1) of this subsection and determine whether any legislation is necessary to allow the
 3 eligible governmental unit to participate in the Correctional Officers' Retirement System.

4 (3) The Board of Trustees shall make recommendations to the Joint
 5 Committee on Pensions regarding any legislation that it determines is necessary to allow
 6 the eligible governmental unit to participate in the Correctional Officers' Retirement
 7 System.

8 (D) AN ELIGIBLE GOVERNMENTAL UNIT THAT SATISFIES THE
 9 REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION IS ELIGIBLE TO
 10 PARTICIPATE IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM ONLY IF
 11 THE ELIGIBLE GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO ALL
 12 ELIGIBLE LOCAL DETENTION CENTER OFFICERS OF THE ELIGIBLE GOVERNMENTAL
 13 UNIT PARTICIPATE IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.

14 31-2B-03.1.

15 (a) Except as provided in subsection (b) of this section, the effective date of
 16 participation for an eligible governmental unit is July 1 of the year following the fiscal year
 17 in which the eligible governmental unit elects to participate in the Correctional Officers'
 18 Retirement System.

19 (b) (1) If an eligible governmental unit does not provide the Board of Trustees
 20 with the necessary documentation to join the Correctional Officers' Retirement System on
 21 or before the effective date for the eligible governmental unit, the effective date shall be
 22 postponed until July 1 of the second year following the fiscal year in which the eligible
 23 governmental unit elects to participate in the Correctional Officers' Retirement System.

24 (2) ~~(I) AN ELIGIBLE GOVERNMENTAL UNIT SHALL CERTIFY TO THE~~
 25 ~~STATE RETIREMENT AGENCY THAT THE ELIGIBLE GOVERNMENTAL UNIT PROVIDED~~
 26 ~~EACH OF ITS EMPLOYEES WHO ARE ELIGIBLE TO ELECT OPTIONAL MEMBERSHIP IN~~
 27 ~~THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM WITH THE NECESSARY~~
 28 ~~DOCUMENTATION REQUIRED BY THE STATE RETIREMENT AGENCY TO MAKE THAT~~
 29 ~~ELECTION.~~

30 ~~(II)~~ FOR ANY EMPLOYEE OF AN ELIGIBLE GOVERNMENTAL UNIT
 31 WHO IS ELIGIBLE ~~FOR OPTIONAL MEMBERSHIP TO ELECT TO PARTICIPATE~~ IN THE
 32 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE NECESSARY
 33 DOCUMENTATION UNDER ~~SUBPARAGRAPH (I) OF THIS PARAGRAPH~~ PARAGRAPH (1)
 34 OF THIS SUBSECTION SHALL INCLUDE PROPERLY COMPLETED ELECTION FORMS
 35 INDICATING EITHER THAT:

36 ~~I~~ (I) THE EMPLOYEE INTENDS TO PARTICIPATE IN THE
 37 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; OR

1 ~~2.~~ **(II) THE EMPLOYEE INTENDS TO OPT OUT OF**
2 **PARTICIPATION IN THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM.**

3 **(3) (I) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY**
4 **DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE**
5 **IN OR OPT OUT OF PARTICIPATION IN THE CORRECTIONAL OFFICERS' RETIREMENT**
6 **SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE CORRECTIONAL**
7 **OFFICERS' RETIREMENT SYSTEM.**

8 **(II) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE**
9 **ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY**
10 **DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE**
11 **IN OR OPT OUT OF PARTICIPATION IN THE CORRECTIONAL OFFICERS' RETIREMENT**
12 **SYSTEM SHALL EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT**
13 **AGENCY STATING:**

14 **1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT**
15 **THE NECESSARY DOCUMENTATION; AND**

16 **2. THE DATE WHEN THE APPOINTING AUTHORITY**
17 **PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.**

18 **(III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY**
19 **DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO**
20 **SUBMIT UNDER THIS SUBSECTION TO JOIN THE CORRECTIONAL OFFICERS'**
21 **RETIREMENT SYSTEM.**

22 31-2B-04.

23 If a local detention center officer joins the Correctional Officers' Retirement System
24 on the effective date, the member [is entitled to] SHALL RECEIVE 100% SERVICE credit
25 for THE MEMBER'S employment with the participating governmental unit before the
26 effective date.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
28 1, 2026.