

# SENATE BILL 734

P6

(6lr2465)

## ENROLLED BILL

— Budget and Taxation/Appropriations —

Introduced by **Senator Lewis Young (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.

\_\_\_\_\_  
President.

### 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

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#### 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.*



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

4 BY repealing and reenacting, with amendments,

5 Article – State Personnel and Pensions

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

7 Section 21–309.1, 21–309.2, 23–204(a), 29–304(20) through (23), 31–109, 31–109.1,

8 31–111, 31–2A–03, 31–2A–03.1, 31–2A–04, 31–2B–03, 31–2B–03.1, and

9 31–2B–04

10 Annotated Code of Maryland

11 (2024 Replacement Volume and 2025 Supplement)

12 *BY repealing*

13 *Article – State Personnel and Pensions*

14 *Section 29–304(19)*

15 *Annotated Code of Maryland*

16 *(2024 Replacement Volume and 2025 Supplement)*

17 BY repealing and reenacting, without amendments,

18 Article – State Personnel and Pensions

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

20 and (c), and 31–2B–02

21 Annotated Code of Maryland

22 (2024 Replacement Volume and 2025 Supplement)

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

24 That the Laws of Maryland read as follows:

25 **Article – State Personnel and Pensions**

26 21–309.1.

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

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

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

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

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

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

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

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

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

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

14 21-309.2.

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

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

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

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

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

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

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

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

4 23-204.

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

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

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

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

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

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

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

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

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

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

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

31       (II) If an election to join the Employees' Pension System is not  
32 received by the Board of Trustees within the period of time described in paragraph (2) or

1 (3) of this subsection, the individual may not elect to join the Employees' Pension System  
 2 while employed in that position.

3 **(6) (I) THIS PARAGRAPH APPLIES TO AN INDIVIDUAL DESCRIBED**  
 4 **UNDER PARAGRAPH (1)(VI) OF THIS SUBSECTION.**

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

10 ~~[(6)] (7)~~ The Board of Trustees shall adopt regulations to implement this  
 11 subsection.

12 29-304.

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

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

17 ~~[(20)] (19)~~ Special Secretary of the Governor's Office for Children;

18 ~~[(21)] (20)~~ State Archivist;

19 ~~[(22)] (21)~~ State Prosecutor of the State Prosecutor's Office; or

20 ~~[(23)] (22)~~ State Superintendent of Schools.

21 31-101.

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

23 (d) "Eligible governmental unit" means a governmental unit that is eligible to  
 24 participate in the employees' systems under § 31-102 of this subtitle.

25 (e) (1) "Employee" means a regular employee of an eligible governmental unit.

26 (2) "Employee" includes an officer of an eligible governmental unit.

27 (3) "Employee" does not include a contractual, emergency, or temporary  
 28 extra employee.

29 31-102.

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

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

4 (i) a county;

5 (ii) a municipal corporation; and

6 (iii) a special taxing area; and

7 (2) the following governmental units:

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

10 (ii) the Allegany County Transit Authority;

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

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

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

17 (vi) the Chesapeake Bay Commission;

18 (vii) a cooperative library commission;

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

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

24 (x) the Health Planning Council of Appalachia;

25 (xi) the Howard County Economic Development Authority;

26 (xii) the Interstate Commission on the Potomac River Basin;

27 (xiii) the Lower Shore Private Industry Council, Inc.;

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

17 31–109.

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

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

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

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

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

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

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

6 (1) the local plan of the eligible governmental unit requires member  
7 contributions at the same rate as the member contribution rate that would be applicable to  
8 employees of the eligible governmental unit in the Employees' Pension System; or

9 (2) the eligible governmental unit:

10 (i) does not provide for the employer pickup of member  
11 contributions to the local plan within the meaning of § 414(h)(2) of the Internal Revenue  
12 Code; and

13 (ii) certifies that it will not become an approved employer under §  
14 21-313 of this article on or after the effective date of participation.

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

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

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

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

30 31-109.1.

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

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

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

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

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

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

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

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

32 1. THE NAME OF THE EMPLOYEE WHO DID NOT SUBMIT  
33 THE NECESSARY DOCUMENTATION; AND

34 2. THE DATE WHEN THE APPOINTING AUTHORITY  
35 PROVIDED THE EMPLOYEE WITH THE ELECTION FORM TO BE COMPLETED.

1                   (III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY  
 2 DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO  
 3 SUBMIT UNDER THIS SUBSECTION TO JOIN THE EMPLOYEES' PENSION SYSTEM.

4 31-111.

5           (a) Except as provided in subsection (b) of this section and §§ 31-111.1, 31-111.3,  
 6 31-111.4, 31-111.5, 31-111.6, 31-111.7, and 31-111.8 of this subtitle, if an employee of a  
 7 participating governmental unit joins the Employees' Pension System on the effective date,  
 8 the employee [is entitled to] SHALL RECEIVE 100% service credit for THE EMPLOYEE'S  
 9 employment with the participating governmental unit before the effective date.

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

15 31-2A-01.

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

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

20 31-2A-02.

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

23                   (1) counties; and

24                   (2) municipal corporations.

25 31-2A-03.

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

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

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

1 (i) at least 60% of the law enforcement officers, firefighters, or  
2 emergency medical technicians 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 requirements in  
5 subsection (b) of this section; and

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

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

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

16 (2) the eligible governmental unit:

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

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

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

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

28 (3) The Board of Trustees shall make recommendations to the Joint  
29 Committee on Pensions regarding any legislation that it determines is necessary to allow  
30 the eligible governmental unit to participate in the Law Enforcement Officers' Pension  
31 System.

32 **(D) AN ELIGIBLE GOVERNMENTAL UNIT THAT SATISFIES THE**  
33 **REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION IS ELIGIBLE TO**  
34 **PARTICIPATE IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM ONLY IF**

1 THE ELIGIBLE GOVERNMENTAL UNIT MAKES ENROLLMENT AVAILABLE TO ALL  
 2 ELIGIBLE LAW ENFORCEMENT OFFICERS, FIREFIGHTERS, OR EMERGENCY MEDICAL  
 3 TECHNICIANS OF THE ELIGIBLE GOVERNMENTAL UNIT ~~PARTICIPATE IN THE LAW~~  
 4 ~~ENFORCEMENT OFFICERS' PENSION SYSTEM.~~

5 31-2A-03.1.

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

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

15 (2) ~~(I) AN ELIGIBLE GOVERNMENTAL UNIT SHALL CERTIFY TO THE~~  
 16 ~~STATE RETIREMENT AGENCY THAT THE ELIGIBLE GOVERNMENTAL UNIT PROVIDED~~  
 17 ~~EACH OF ITS EMPLOYEES WHO ARE ELIGIBLE TO ELECT OPTIONAL MEMBERSHIP IN~~  
 18 ~~THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM WITH THE NECESSARY~~  
 19 ~~DOCUMENTATION REQUIRED BY THE STATE RETIREMENT AGENCY TO MAKE THAT~~  
 20 ~~ELECTION.~~

21 ~~(II)~~ FOR ANY EMPLOYEE OF AN ELIGIBLE GOVERNMENTAL UNIT  
 22 WHO IS ELIGIBLE ~~FOR OPTIONAL MEMBERSHIP~~ TO ELECT TO PARTICIPATE IN THE  
 23 LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, THE NECESSARY  
 24 DOCUMENTATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH PARAGRAPH (1)  
 25 OF THIS SUBSECTION SHALL INCLUDE PROPERLY COMPLETED ELECTION FORMS  
 26 INDICATING EITHER THAT:

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

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

31 (3) (I) AN EMPLOYEE THAT DOES NOT COMPLETE THE NECESSARY  
 32 DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE  
 33 IN OR OPT OUT OF PARTICIPATION IN THE LAW ENFORCEMENT OFFICERS' PENSION  
 34 SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE LAW ENFORCEMENT  
 35 OFFICERS' PENSION SYSTEM.

1                   **(II) THE APPOINTING AUTHORITY FOR THE EMPLOYEE OF THE**  
2 **ELIGIBLE GOVERNMENTAL UNIT THAT DOES NOT COMPLETE THE NECESSARY**  
3 **DOCUMENTATION INDICATING WHETHER THE EMPLOYEE INTENDS TO PARTICIPATE**  
4 **IN OR OPT OUT OF PARTICIPATION IN THE LAW ENFORCEMENT OFFICERS' PENSION**  
5 **SYSTEM SHALL EXECUTE AND SUBMIT AN AFFIDAVIT TO THE STATE RETIREMENT**  
6 **AGENCY STATING:**

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

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

11                   **(III) AN AFFIDAVIT UNDER THIS PARAGRAPH IS NECESSARY**  
12 **DOCUMENTATION THAT AN ELIGIBLE GOVERNMENTAL UNIT IS REQUIRED TO**  
13 **SUBMIT UNDER THIS SUBSECTION TO JOIN THE LAW ENFORCEMENT OFFICERS'**  
14 **PENSION SYSTEM.**

15 31-2A-04.

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

20 31-2B-01.

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

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

25 31-2B-02.

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

28                   (1) counties; and

29                   (2) municipal corporations.

30 31-2B-03.

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

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

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

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

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

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

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

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

22 (2) the eligible governmental unit:

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

26 (ii) certifies that it will not become an approved employer under §  
27 21-313 of this article on or after the effective date of participation.

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

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

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

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

11 31-2B-03.1.

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

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

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

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

33 ~~1.~~ (I) THE EMPLOYEE INTENDS TO PARTICIPATE IN THE  
 34 CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; OR

35 ~~2.~~ (II) THE EMPLOYEE INTENDS TO OPT OUT OF  
 36 PARTICIPATION IN THE CORRECTIONAL OFFICERS' RETIREMENT 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 CORRECTIONAL OFFICERS' RETIREMENT**  
 4 **SYSTEM IS DEEMED TO HAVE ELECTED TO PARTICIPATE IN THE CORRECTIONAL**  
 5 **OFFICERS' RETIREMENT 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 CORRECTIONAL OFFICERS' RETIREMENT**  
 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 CORRECTIONAL OFFICERS'**  
 19 **RETIREMENT SYSTEM.**

20 31-2B-04.

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

25           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
 26 1, 2026.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.