

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on October 9, 2013.

Sheila M. Tolliver
Sheila M. Tolliver, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2013.

Sheila M. Tolliver, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2013.

Sheila M. Tolliver, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2013.

Sheila M. Tolliver, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2013.

Sheila M. Tolliver, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2013.

Sheila M. Tolliver, Administrator to the County Council

Introduced 09/03/2013
Public Hearing 09/16/2013
Council Action 10/7/2013
Executive Action 10/9/2013
Effective Date 12/9/2013

County Council Of Howard County, Maryland

2013 Legislative Session

Legislative Day No. 11

Bill No. 45 -2013

Introduced by: The Chairperson at the request of the County Executive

AN ACT amending the participant contribution percentage and retirement benefit multiplier for certain participants in the Howard County Employees Retirement Plan; making certain technical corrections; providing for the implementation of a new participant contribution percentage and retirement benefit multiplier; adding references to certain past multipliers; and generally related to the Howard County Retirement Plan.

Introduced and read first time Sept. 3, 2013. Ordered posted and hearing scheduled.

By order Sheila M. Tolliver
Sheila M. Tolliver, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on Sept. 16, 2013.

By order Sheila M. Tolliver
Sheila M. Tolliver, Administrator

This Bill was read the third time on Oct. 7, 2013 and Passed , Passed with amendments _____, Failed _____.

By order Sheila M. Tolliver
Sheila M. Tolliver, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 8th day of October, 2013 at 3:30 a.m. (p.m.)

By order Sheila M. Tolliver
Sheila M. Tolliver, Administrator

Approved/Vetoed by the County Executive October 9, 2013

Ken Ulman
Ken Ulman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **Section 1. Be It Enacted** by the County Council of Howard County, Maryland that the
2 Howard County Code is amended as follows:

3 1. By amending:

4 Title 1 – Human Resources

5 Section 1.426 “Pick-up contributions”

6 Subsection (a)

7
8 2. By amending:

9 Title 1 – Human Resources

10 Section 1.428 “Normal retirement”

11
12 **Title 1. Human Resources.**

13 **Subtitle 4. Retirement Plans.**

14 **Article III. Trust Fund.**

15
16 **Section 1.426. Pick-up contributions.**

17 Under limited circumstances described below, Participant contributions and monies from
18 other Government Employers may be accepted by the Plan.

19 (a) *Types of Contributions/Transfers.*

20 (1) *County pick-up contributions.*

21 (i) [[Effective with the paycheck issued August 13, 1999 and in
22 accordance with rules established by the County, each participant
23 who is classified as a fully benefited employee shall make
24 contributions to the plan equal to two percent of the participant's
25 per-pay compensation.]] EFFECTIVE WITH THE FIRST PAYCHECK
26 ISSUED AFTER DECEMBER 31, 2013, AND IN ACCORDANCE WITH
27 RULES ESTABLISHED BY THE COUNTY, EACH PARTICIPANT, OTHER
28 THAN AN AFSCME LOCAL 3085 EMPLOYEE OR A PARTICIPATING
29 CORRECTIONS EMPLOYEE, SHALL MAKE CONTRIBUTIONS TO THE
30 PLAN EQUAL TO THREE PERCENT OF HIS OR HER PER-PAY
31 COMPENSATION.

- 1 (ii) Effective with the paycheck issued January 30, 1998, and in
 2 accordance with rules established by the County and in lieu of the
 3 contributions [[made under]] DESCRIBED IN SUBPARAGRAPHS
 4 1.426(A)(1)(I), (VII) AND (VIII) [[subsection 1.426 (a)(1)(i) or (vi)],
 5 each participant who is classified as a participating corrections
 6 employee shall make contributions to the plan equal to eight and
 7 one-half percent of his or her per-pay compensation.
- 8 (iii) Effective with the first paycheck issued after June 30, 2011, and in
 9 accordance with rules established by the County and in lieu of the
 10 contributions [[made under subsection 1.426(a)(1)(i)]] DESCRIBED
 11 IN SUBPARAGRAPHS 1.426(A)(1)(I), (VII) AND (VIII), each participant
 12 who is classified as an AFSCME Local 3085 employee shall make
 13 contributions to the plan equal to three percent of his or her per-
 14 pay compensation. The contributions under this subparagraph (iii)
 15 shall be made only during the period when the participant is an
 16 AFSCME Local 3085 employee.
- 17 (iv) Notwithstanding subparagraphs (i), (ii) and (iii) of this paragraph,
 18 in those calendar years in which the County issues 27 paychecks,
 19 no participant contributions shall be required with respect to per-
 20 pay compensation reflected in the 27th paycheck of the calendar
 21 year.
- 22 (v) The participant contributions referred to in this paragraph shall be:

 - 23 a. Picked up by the employer, as described in Section
 - 24 414(h)(2) of the Internal Revenue Code;
 - 25 b. Deducted from the pay of the contributing participants as
 - 26 salary reduction contributions; and
 - 27 c. Paid by the employer to the trustees within reasonable
 - 28 promptness after the total of such contributions during any
 - 29 month has been determined, and in any event by the end of
 - 30 the succeeding month.

1 (vi) The contributions made pursuant to this paragraph (1) shall be
2 made a part of the participant's employee contributions benefit,
3 that is, a part of his or her accrued benefit.

4 (vii) Effective with the paycheck issued July 21, 1995 and continuing
5 through the paycheck issued July 30, 1999, in accordance with
6 rules established by the County, each participant who is classified
7 as a fully benefited employee shall make contributions to the plan
8 equal to the sum of:

- 9 a. Two percent of the participant's per-pay compensation; and
10 b. Two percent of the participant's per-pay compensation
11 which exceeds the applicable per-pay Social Security
12 taxable wage base.
13

14 **Section 1.428. Normal retirement.**

15 A participant who retires on his or her normal retirement date shall be entitled to receive
16 a monthly retirement income, beginning with the first day of the month coincident with
17 or next following his or her normal retirement date and continuing for the remainder of
18 the participant's life.

19 (a) *Current Provision—Amount of Monthly Retirement Income—Participant Who*
20 *Reaches a Termination Date On or After [[July 30, 1999]] JANUARY 1, 2014. [[Subject to*
21 *subsection (i) of this section and section 1.408(d) of this subtitle, and subject to the*
22 *limitations set forth in section 1.433 of this subtitle, the amount of the monthly retirement*
23 *income of a participant who reaches a termination date on or after July 30, 1999 shall be*
24 *equal to:*

- 25 (1) 1.55 percent of the participant's average compensation;
26 (2) Multiplied by the participant's years of creditable service.

27 Notwithstanding the foregoing, the amount of the monthly retirement income of a
28 participant who reaches a termination date following a normal or early retirement date
29 and between July 30, 1999 and July 30, 2000 shall be calculated under the provisions of
30 the plan in effect prior to July 30, 1999 if such calculation would result in a greater
31 monthly benefit to the participant.]]

1 (1) SUBJECT TO SUBSECTION (J) OF THIS SECTION AND SECTION 1.408(D) OF THIS
2 SUBTITLE, AND SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 1.433
3 OF THIS SUBTITLE, THE AMOUNT OF THE MONTHLY RETIREMENT INCOME OF
4 AN EMPLOYEE WHO (I) IS NOT AN AFSCME LOCAL 3085 EMPLOYEE OR A
5 PARTICIPATING CORRECTIONS EMPLOYEE AND (II) WHO REACHES A
6 TERMINATION DATE ON OR AFTER JANUARY 1, 2014, SHALL BE EQUAL TO
7 THE SUM OF PARAGRAPHS (III) AND (IV) OF THIS SUBSECTION WHERE:

8 (III) EQUALS:

9 A. 1.66 PERCENT OF THE PARTICIPANT'S AVERAGE
10 COMPENSATION;

11 B. MULTIPLIED BY THE PARTICIPANT'S YEARS OF CREDITABLE
12 SERVICE EARNED AFTER JUNE 30, 2012; AND

13 (IV) EQUALS:

14 A. 1.55 PERCENT OF THE EMPLOYEE'S PARTICIPANT'S AVERAGE
15 COMPENSATION;

16 B. MULTIPLIED BY THE PARTICIPANT'S YEARS OF CREDITABLE
17 SERVICE EARNED PRIOR TO JULY 1, 2012.

18 (2) FOR PURPOSES OF THIS SUBSECTION (A), (I) A PARTICIPANT'S YEARS OF
19 CREDITABLE SERVICE EARNED PRIOR TO JULY 1, 2012 WILL INCLUDE
20 CREDITABLE SERVICE EARNED ON ACCOUNT OF MILITARY SERVICE,
21 TRANSFERRED SERVICE OR PURCHASED SERVICE IF THE ACTUAL DATES OF
22 SERVICE OCCURRED PRIOR TO JULY 1, 2012 AND (II) A PARTICIPANT'S YEARS
23 OF CREDITABLE SERVICE EARNED AFTER JUNE 30, 2012 WILL INCLUDE
24 CREDITABLE SERVICE EARNED ON ACCOUNT OF MILITARY SERVICE,
25 TRANSFERRED SERVICE OR PURCHASED SERVICE IF THE ACTUAL DATES OF
26 SERVICE OCCURRED AFTER JUNE 30, 2012.

27 (3) NOTWITHSTANDING PARAGRAPHS (1) AND (2) ABOVE, THE BENEFIT
28 ATTRIBUTABLE TO YEARS OF CREDITABLE SERVICE EARNED PRIOR TO JULY
29 1, 2012 AS AN AFSCME LOCAL 3085 EMPLOYEE BY A PARTICIPANT
30 DESCRIBED IN THIS SUBSECTION (A) SHALL BE CALCULATED BY

1 MULTIPLYING 1.66 PERCENT OF HIS OR HER AVERAGE COMPENSATION TIMES
2 SUCH YEARS OF CREDITABLE SERVICE.

3 (b) *Current Provision—Amount of Monthly Retirement Income Participant Who is a*
4 *Participating Corrections Employee and Reaches a Termination Date On or After June*
5 *30, 2005.* Subject to subsection [(i)](j) of this section and section 1.408(d) of this
6 subtitle, and subject to the limitations set forth in section 1.433 of this subtitle, the
7 amount of the monthly retirement income of a participating corrections employee who
8 reaches a termination date on or after June 30, 2005 shall be equal to the sum of
9 paragraphs (1) and (2) where:

10 (1) Equals:

- 11 (i) Two and one-half percent of the participant's average
12 compensation;
- 13 (ii) Multiplied by the participant's years of creditable service to a
14 maximum of 20 years of creditable service; and

15 (2) Equals:

- 16 (i) One percent of the participant's average compensation;
- 17 (ii) Multiplied by the participant's years of creditable service in excess
18 of 20 years of creditable service (but not in excess of 30 years of
19 creditable service).

20 (c) *Current Provision—Amount of Monthly Retirement Income—AFSCME Local 3085*
21 *Employee Who Reaches a Termination Date On or After June 30, 2011.* Subject to
22 subsection [(i)](j) of this section and section 1.408(d) of this subtitle, and subject to the
23 limitations set forth in section 1.433 of this subtitle, the amount of the monthly retirement
24 income of an AFSCME Local 3085 employee who reaches a termination date on or after
25 June 30, 2011 shall be equal to the sum of paragraphs (1) and (2) of this subsection
26 where:

27 (1) Equals:

- 28 (i) 1.66 percent of the participant's average compensation;
- 29 (ii) Multiplied by the participant's years of creditable service earned as
30 an AFSCME Local 3085 employee; and

31 (2) Equals:

- 32 (i) 1.55 percent of the employee's participant's average compensation;
- 33 (ii) Multiplied by the participant's years of creditable service other
34 than his or her years of creditable service earned as an AFSCME

1 Local 3085 employee. For purposes of this subsection (c), all years
2 of creditable service earned prior to July 1, 2011 by a participant
3 who was an AFSCME Local 3085 employee on June 30, 2011 will
4 be considered years of creditable service as an AFSCME Local
5 3085 employee.

6 (d) *Historical Provision—Amount of Monthly Retirement Income—Participant Who*
7 *Became a Corrections Employee After December 31, 1997 and Reached a Termination*
8 *Date Between July 30, 1999 and June 30, 2005.* Subject to subsection [(i)](j) of this
9 section and section 1.408(d) of this subtitle, and subject to the limitations set forth in
10 section 1.433 of this subtitle, the amount of the monthly retirement income of a
11 participant who earned his or her first hour of service as a corrections employee after
12 December 31, 1997 and who reached a termination date between July 30, 1999 and June
13 30, 2005 shall be equal to the sum of paragraphs (1) and (2) of this subsection where:

14 (1) Equals:

- 15 (i) Two percent of the participant's average compensation;
- 16 (ii) Multiplied by the participant's years of creditable service as a
17 participating corrections employee, to a maximum of 30 year[s] of
18 creditable service; and

19 (2) Equals:

- 20 (i) 1.55 percent of the participant's average compensation.
- 21 (ii) Multiplied by the participant's years of creditable service (if any)
22 not earned as a corrections employee.

23 (e) *Historical Provisions—Amount of Monthly Retirement Income—Participant Who*
24 *Elected to Become a Participating Corrections Employee as of January 1, 1998 and*
25 *Reached a Termination Date Between July 30, 1999 and June 30, 2005.* Subject to
26 subsection [(i)](j) of this section and subsection 1.408(d) of this subtitle, and subject to
27 the limitations set forth in section 1.433 of this subtitle, the amount of the monthly
28 retirement income of a corrections employee who elected to become a participating
29 corrections employee as of January 1, 1998 and who reached a termination date between
30 July 30, 1999 and June 30, 2005 pursuant to subsection 1.410(a) of this subtitle shall be
31 equal to the sum of paragraphs (1) and (2) where:

- 1 (1) Equals:
2 (i) 1.55 percent of the participant's average compensation;
3 (ii) Multiplied by the participant's years of Class B creditable service
4 and
5 (2) Equals:
6 (i) Two percent of the participant's average compensation;
7 (ii) Multiplied by the participant's years of Class A creditable service.

8 (f) *Historical Provision—Amount of Monthly Retirement Income—Participant Who*
9 *Became a Covered Individual After June 30, 1995 and Reached a Termination Prior to*
10 *July 30, 1999.* Subject to subsection [(i)] (j) of this section and subsection 1.408(d) of
11 this subtitle, and subject to the limitations set forth in section 1.433 of this subtitle, the
12 amount of the monthly retirement income of a participant who became a covered
13 individual after June 30, 1995 and who reached a termination date prior to July 30, 1999
14 shall be equal to:

- 15 (1) The sum of 1.3 percent of the participant's average compensation and one-
16 half percent of the participant's average compensation that exceeded 1/12
17 of his or her covered compensation;
18 (2) Multiplied by the participant's years of creditable service.

19 (g) *Historical Provision—Amount of Monthly Retirement Income—Participant Who Has*
20 *Elected to Receive Service Under The Maryland State Retirement Systems and Reached a*
21 *Termination Prior to July 30, 1999.* Subject to subsection [(i)] (j) of this section and
22 subsection 1.408(d) of this subtitle, and subject to the limitations set forth in section
23 1.433 of this subtitle, the amount of the monthly retirement income of a participant who
24 has elected to receive credit for service under the Maryland State Retirement Systems
25 pursuant to subsection 1.417(d) of this subtitle and who reached a termination date prior
26 to July 30, 1999 shall be equal to the sum of paragraphs (i) and (2) of this subsection,
27 where:

- 28 (1) Equals:
29 (i) The sum of 0.8 percent of the participant's average compensation
30 and 0.7 percent of the participant's average compensation that
31 exceeded 1/12 of his or her covered compensation;

1 (ii) Multiplied by the participant's years of state plan creditable
2 service, and

3 (2) Equals:

4 (i) The sum of 1.3 percent of the participant's average compensation
5 and one-half percent of the participant's average compensation that
6 exceeded 1/12 of his or her covered compensation;

7 (ii) Multiplied by the participant's years of County plan creditable
8 service.

9 (h) *Historical Provision—Amount of Monthly Retirement Income—Participant Who*
10 *Elected to Become a Participating Corrections Employee as of January 1, 1998 and*
11 *Reached a Termination Date Prior to July 30, 1999.* Subject to subsection [(i)] (j) of
12 this section and subsection 1.408(d) of this subtitle, and subject to the limitations set forth
13 in section 1.433 of this subtitle, the amount of the monthly retirement income of a
14 corrections employee who elected to become a participating corrections employee as of
15 January 1, 1998 pursuant to subsection 1.410(a) of this subtitle shall be equal to the sum
16 of paragraphs (1), (2) and (3), where:

17 (1) Equals:

18 (i) The sum of 0.8 percent of the participant's average compensation
19 and 0.7 percent of the participant's average compensation that
20 exceeded 1/12 of his or her covered compensation;

21 (ii) Multiplied by the participant's years of Class C creditable service;
22 and

23 (2) Equals:

24 (i) The sum of 1.3 percent of the participant's average compensation
25 and one-half percent of the participant's average compensation that
26 exceeded 1/12 of his or her covered compensation;

27 (ii) Multiplied by the participant's years of Class D creditable service;
28 and

29 (3) Equals:

30 (i) Two percent of the participant's average compensation;

31 (ii) Multiplied by the participant's years of Class A creditable service.

1 (i) *HISTORICAL PROVISION—AMOUNT OF MONTHLY RETIREMENT INCOME—PARTICIPANT WHO*
2 *REACHED A TERMINATION DATE ON OR AFTER JULY 30, 1999 AND PRIOR TO JANUARY 1, 2014.*
3 SUBJECT TO SUBSECTION (J) OF THIS SECTION AND SECTION 1.408(D) OF THIS SUBTITLE,
4 AND SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 1.433 OF THIS SUBTITLE, THE
5 AMOUNT OF THE MONTHLY RETIREMENT INCOME OF A PARTICIPANT WHO REACHES A
6 TERMINATION DATE ON OR AFTER JULY 30, 1999 SHALL BE EQUAL TO:

- 7 (1) 1.55 PERCENT OF THE PARTICIPANT'S AVERAGE COMPENSATION;
- 8 (2) MULTIPLIED BY THE PARTICIPANT'S YEARS OF CREDITABLE SERVICE.

9 ~~[(i)]~~(j) *Unused disability leave.*

- 10 (1) For purposes of determining the amount of the participant's retirement
11 benefit payable pursuant to sections 1.428—1.432, and for purposes of
12 determining the amount of a surviving spouse annuity benefit pursuant to
13 subsection 1.439(b), the participant shall receive additional years of
14 creditable service for unused disability leave.
- 15 (2) Such unused disability leave shall be credited at the rate of 1/12 of a year
16 of creditable service for each 22 days of unused disability leave accrued
17 by the participant as of his or her termination date.
- 18 (3) If, after crediting unused disability leave in multiples of 22 days, 11 or
19 more days remain uncredited, the participant shall receive an additional
20 1/12 of a year of creditable service.
- 21 (4) Generally, the benefit attributable to years of creditable service for unused
22 disability leave for a participating corrections employee shall be calculated
23 by multiplying two percent of his or her average compensation times such
24 years of creditable service. However, where a participating corrections
25 employee receives a monthly benefit calculated under subsection 1.428(d)
26 of this subtitle, the benefit attributable to his or her years of creditable
27 service for unused disability leave shall be calculated by multiplying one
28 percent of his or her average compensation times such years of creditable
29 service.
- 30 (5) The benefit attributable to years of creditable service for unused disability
31 leave for a participant who reaches his or her termination date as an

1 AFSCME Local 3085 employee on or after June 30, 2011 shall be
2 calculated by multiplying 1.66 percent of his or her average compensation
3 times such years of creditable service.

4 (6) THE BENEFIT ATTRIBUTABLE TO YEARS OF CREDITABLE SERVICE FOR
5 UNUSED DISABILITY LEAVE FOR A PARTICIPANT, OTHER THAN AN AFSCME
6 LOCAL 3085 EMPLOYEE OR A PARTICIPATING CORRECTIONS EMPLOYEE,
7 WHO REACHES HIS OR HER TERMINATION DATE ON OR AFTER JANUARY 1,
8 2014 SHALL BE CALCULATED BY MULTIPLYING 1.66 PERCENT OF HIS OR HER
9 AVERAGE COMPENSATION TIMES SUCH YEARS OF CREDITABLE SERVICE.

10

11 *Section 2. And Be It Further Enacted by the County Council of Howard County,*
12 *Maryland, that this Act shall become effective 61 days after its enactment.*

