



# COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2023, Legislative Day No. 22

Bill No. 93-23

Introduced by Ms. Pickard, Chair (by request of the County Executive)

By the County Council, December 18, 2023

Introduced and first read on December 18, 2023
Public Hearing set for and held on January 16, 2024
Public Hearing on AMENDED bill set for and held on February 5, 2024
Public Hearing on SECOND AMENDED bill set for and held on February 20, 2024
Bill AMENDED and PASSED on February 20, 2024
Bill Expires March 22, 2024

By Order: Laura Corby, Administrative Officer

#### A BILL ENTITLED

AN ORDINANCE concerning: Pensions – Participation – Transferred Service – Employees' Retirement Plan - Fire Service Retirement Plan - Police Service Retirement Plan FOR the purpose of allowing participants in the Fire Service Retirement Plan and Police Service Retirement Plan hired after a certain date to purchase service credit for prior participation in certain other plans; establishing the conditions for and methods of purchasing service credits; providing for the calculation and applicability of purchased service credits; adding employees of the Resilience Authority of Annapolis and Anne Arundel County as participants in the Employees' Retirement Plan; adding employees in certain job classifications as participants in the Fire Service Retirement Plan; allowing participants in the Fire Service Retirement Plan and Police Service Retirement Plan who terminate employment for less than 12 months to return to participate in the plan under certain conditions; providing for the calculation and repayment of contributions to reenter the plan; and generally relating to pensions. BY renumbering: § 5-3-103(a)(6) through (8), to be 5-3-103(a)(7) through (9), respectively Anne Arundel County Code (2005, as amended)

EXPLANATION:

1

2

4

5

6 7

8

9

10

11

12

13

14

15 16

17

18

CAPITALS indicate new matter added to existing law. [[Brackets]] indicate matter deleted from existing law.

Captions and taglines in **bold** in this bill are catchwords and are not law. Asterisks \*\*\* indicate existing Code provisions in a list or chart that remain unchanged. Underlining indicates matter added to bill by amendment.

Strikeover indicates matter removed from bill by amendment.

| BY adding: §§ 5-1-212; and § 5-3-103(a)(6) Anne Arundel County Code (2005, as amended)  BY repealing and reenacting, with amendments: §§ 5-3-301(c); 5-3-307(201; and 5-5-201 Anne Arundel County Code (2005, as amended)  SECTION 1. Be it enacted by the County Council of Anne Arundel Cotas amended) is hereby renumbered to be § 5-3-103(a)(7) through (9), resulting SECTION 2. And be it further enacted, That Section(s) of the Anne Code (2005, as amended) read as follows:  ARTICLE 5. PENSIONS  TITLE 1. GENERAL PROVISIONS  5-1-212. Purchased service credits — Fire Service Retirement Plan and Retirement Plan.  (A) Conditions for purchasing service credits. PARTICIPANTS IN TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIREDOGEMPLOYMENT IF:  | County, Maryland<br>unty Code (2005<br>pectively.<br>Arundel County |
|--|---|
| 201; and 5-5-201 Anne Arundel County Code (2005, as amended)  SECTION 1. Be it enacted by the County Council of Anne Arundel Contat § 5-3-103(a)(6) through (8), respectively, of the Anne Arundel Contas amended) is hereby renumbered to be § 5-3-103(a)(7) through (9), respectively.  SECTION 2. And be it further enacted, That Section(s) of the Anne Code (2005, as amended) read as follows:  ARTICLE 5. PENSIONS  TITLE 1. GENERAL PROVISIONS  5-1-212. Purchased service credits - Fire Service Retirement Plan and Retirement Plan.  (A) Conditions for purchasing service credits. Participants in the Retirement Plan and The Police Service Retirement Plan Hiredoceffective Date of Bill No. 93-23 May Purchase Service Credits.  | County, Maryland<br>unty Code (2005<br>pectively.<br>Arundel County |
| Anne Arundel County Code (2005, as amended)  SECTION 1. Be it enacted by the County Council of Anne Arundel Cottat § 5-3-103(a)(6) through (8), respectively, of the Anne Arundel Cotas amended) is hereby renumbered to be § 5-3-103(a)(7) through (9), respectively.  SECTION 2. And be it further enacted, That Section(s) of the Anne Code (2005, as amended) read as follows:  ARTICLE 5. PENSIONS  TITLE 1. GENERAL PROVISIONS  5-1-212. Purchased service credits — Fire Service Retirement Plan an Retirement Plan.  (A) Conditions for purchasing service credits. Participants in TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIREDOUTE DATE OF BILL NO. 93 23 MAY PURCHASE SERVICE CRED | unty Code (2005<br>pectively.<br>Arundel County                     |
| That § 5-3-103(a)(6) through (8), respectively, of the Anne Arundel Coras amended) is hereby renumbered to be § 5-3-103(a)(7) through (9), respectively. SECTION 2. And be it further enacted, That Section(s) of the Anne Code (2005, as amended) read as follows:  ARTICLE 5. PENSIONS  TITLE 1. GENERAL PROVISIONS  5-1-212. Purchased service credits - Fire Service Retirement Plan and Retirement Plan.  (A) Conditions for purchasing service credits. PARTICIPANTS IN TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED GEFFECTIVE DATE OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED  | unty Code (2005<br>pectively.<br>Arundel County                     |
| Code (2005, as amended) read as follows:  ARTICLE 5. PENSIONS  TITLE 1. GENERAL PROVISIONS  5-1-212. Purchased service credits - Fire Service Retirement Plan an Retirement Plan.  (A) Conditions for purchasing service credits. PARTICIPANTS IN TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED GEFFECTIVE DATE OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED  |   |
| TITLE 1. GENERAL PROVISIONS  5-1-212. Purchased service credits - Fire Service Retirement Plan an Retirement Plan.  (A) Conditions for purchasing service credits. PARTICIPANTS IN TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED GEFFECTIVE DATE OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED   | <del>d Police Servic</del> e  |
| 5-1-212. Purchased service credits - Fire Service Retirement Plan an Retirement Plan.  (A) Conditions for purchasing service credits. PARTICIPANTS IN TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED GEFFECTIVE DATE OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED  | <del>d Police Service</del>   |
| Retirement Plan.  (A) Conditions for purchasing service credits. PARTICIPANTS IN TRETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED   | d Police Service  |
| (A) Conditions for purchasing service eredits. PARTICIPANTS IN T<br>RETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED OF<br>EFFECTIVE DATE OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED  |   |
| RETIREMENT PLAN AND THE POLICE SERVICE RETIREMENT PLAN HIRED (<br>EFFECTIVE DATE OF BILL NO. 93-23 MAY PURCHASE SERVICE CRED   |   |
|  | ITS FROM PRIOR  |
| (1) THE SERVICE CREDITS ARE FROM THE LAST EMPLOYER PRIOR   |   |
| (2) ANY BREAK IN SERVICE WITH THE LAST PRIOR EMPLOYER DO 30 DAYS;  | <del>DES NOT EXCEE</del> E  |
| (3) THE PARTICIPANT PARTICIPATED IN A FIRE OR POLICE D<br>RETIREMENT PLAN WITH THE LAST PRIOR EMPLOYER; AND  | EFINED BENEFIT  |
| (4) THE LAST PRIOR EMPLOYER WAS THE STATE OF MARYLAND SUBDIVISION OF THE STATE OF MARYLAND.  | OR A POLITICAL  |
| (B) Methods of purchasing service credits.   |   |
| (1) THE PARTICIPANT MAY PURCHASE SERVICE CREDITS FOR UP T<br>PRIOR SERVICE AT THE RATE OF THREE TIMES THE CONTRIBUTION   | O FIVE YEARS OF   |
| PARTICIPANT'S COUNTY FIRE OR POLICE PLAN, AS APPLICABLE, MUI<br>PARTICIPANT'S ANNUAL BASIC PAY AT THE TIME OF HIRE MULTIPLIED<br>OF YEARS OF SERVICE CREDITS TO BE PURCHASED.  |   |
| (2) THE PARTICIPANT MUST REQUEST TO PURCHASE THE PRIOR SWITHIN 45 DAYS OF THE DATE OF HIRE, AND THE REQUEST MUST BE AIPERSONNEL OFFICER.   |   |
| (3) AT THE ELECTION OF THE PARTICIPANT, THE AMOUNT CALC<br>PARAGRAPH (1) MAY BE PAID: IN A LUMP SUM WITHIN 90 DAYS OF THE A<br>REQUEST TO PURCHASE PRIOR SERVICE CREDITS; THROUGH BI WEE   |   |

|   | APPROVAL OF THE REQUEST TO PURCHASE PRIOR SERVICE CREDITS AND PAYROLL DEDUCTIONS, AS APPROVED BY THE PERSONNEL OFFICER.                                     |
|---|---|
|   |   |
|   | (4) PAYMENTS TOWARD PRIOR SERVICE CREDITS SHALL BE TREATED AS   |
|   | EMPLOYEE CONTRIBUTIONS TO THE PLAN.   |
|   | (C) Effect of purchased service credits.  |
|   | (1) PRIOR SERVICE CREDITS ARE NOT ACTUAL PLAN SERVICE OR TRANSFERRED  |
| ۶ | SERVICE AND ARE NOT USED TO CALCULATE A PARTICIPANT'S VESTING IN A PLAN OR  |
| P | RETIREMENT DATE.  |
| _ | (2) PRIOR SERVICE CREDITS ARE CALCULATED AS AN ADDITIONAL RETIREMENT  |
| В | ENEFIT AT THE RATE OF 2% PER YEAR EVEN IF THE RESULTING PENSION BENEFIT   |
| E | XCEEDS 70% OF THE FINAL AVERAGE BASIC PAY.  |
|   | TITLE 3. EMPLOYEES' RETIREMENT PLAN   |
|   |   |
| 5 | 5-3-103. Participants.  |
|   |   |
|   | (a) Generally. The participants in the plan are the following permanent full-time and   |
| • | permanent part-time employees who work at least 50% of the amount of time specified for   |
| 1 | the position:   |
|   | (C) EMBLOYEES OF THE RESILIENCE AUTHORITY OF ANNIABOLIS AND AND   |
|   | (6) EMPLOYEES OF THE RESILIENCE AUTHORITY OF ANNAPOLIS AND ANNE ARUNDEL COUNTY, INC.;   |
|   | ARUNDEL COUNTT, INC.,   |
| , | 5-3-301. Vesting; termination of service before retirement.   |
| ٠ | s o our vesting, termination of service before remember.  |
|   | (c) Termination of service before normal retirement date.   |
|   |   |
|   | (1) A participant who vests and who terminates service before THE PARTICIPANT'S   |
| N | FORMAL retirement DATE, AS CALCULATED UNDER § 5-3-302(A), must leave any  |
|   | accumulated contributions in the pension fund to become a terminated vested participant   |
|   | and to be eligible to receive retirement benefits.  |
|   |   |
|   | (2) A PARTICIPANT WHO VESTS AND WHO TERMINATES SERVICE BEFORE THE   |
|   | PARTICIPANT'S NORMAL RETIREMENT DATE, AS CALCULATED UNDER § 5-3-302(A), BUT   |
|   | FTER THE PARTICIPANT'S EARLY RETIREMENT DATE, AS CALCULATED UNDER § 5-3-02(B), MAY RETIRE ON AN EARLY RETIREMENT DATE AND RECEIVE AN ANNUAL PENSION         |
|   | OZ(B), MAY RETIRE ON AN EARLY RETIREMENT DATE AND RECEIVE AN ANNUAL PENSION<br>AS CALCULATED UNDER § 5-3-304, OR MAY BECOME A TERMINATED VESTED PARTICIPANT |
|   | UNDER PARAGRAPH (1).  |
|   |   |
| , | 5-3-307. Disability pension.  |
|   | • •   |
|   | (c) Service-connected disability retirement pension. A participant [[who is not   |
| • | eligible to retire on a normal retirement pension]] may be retired by the Personnel Officer   |
|   | on a service-connected disability retirement pension beginning on the date the following  |
|   | conditions are met:   |
|   |   |

51 \*\*\*

#### TITLE 4. FIRE SERVICE RETIREMENT PLAN 5-4-102. Participants. The participants in the plan are the following paid employees of the County who are making contributions to the plan and are classified as: (1) Fire Fighter II; (2) Fire Fighter III; (3) Fire Fighter/Cardiac Rescue Technician; (4) Fire Fighter/Emergency Medical Technician-Paramedic; (5) Fire Lieutenant; (6) FIRE LIEUTENANT/EMERGENCY MEDICAL TECHNICIAN – PARAMEDIC; [[(6)]] (7) Fire Captain; (8) FIRE CAPTAIN/EMERGENCY MEDICAL TECHNICIAN - PARAMEDIC; [[(7)]] (9) Fire Battalion Chief; (10) FIRE BATTALION CHIEF/EMERGENCY MEDICAL TECHNICIAN – PARAMEDIC; [[(8)]] (11) Fire Division Chief; [[(9)]] (12) Deputy Fire Chief; [[(10)]] (13) by election, Assistant Fire Chief; and [[(11)]] (14) by election, the Fire Chief. 5-4-201. Termination of service before retirement. (A) Refund of contributions. [[A]] EXCEPT AS PROVIDED IN SUBSECTION (B), A participant whose employment is terminated before the participant becomes eligible for a retirement benefit is entitled to receive a refund of accumulated contributions[[. The]], AND THE refund shall be instead of other rights and benefits of the participant under this title. (B) Reemployment less than 12 months after termination. (4) A PARTICIPANT WHO TERMINATES EMPLOYMENT BEFORE THE PARTICIPANT'S NORMAL RETIREMENT DATE MAY RETURN TO PARTICIPATION IN THE PLAN AND BE

ENTITLED TO THE RIGHTS AND BENEFITS OF A PARTICIPANT UNDER THIS TITLE,

INCLUDING CREDIT FOR YEARS OF SERVICE PRIOR TO TERMINATION, IF:

1 (+) (1) THE FORMER PARTICIPANT IS REEMPLOYED IN A CLASSIFICATION THAT
2 IS ELIGIBLE TO PARTICIPATE IN THE PLAN LESS THAN 12 MONTHS FROM THE DATE OF
3 TERMINATION; AND
4
5 (H) 1. (2) (I) IF THE FORMER PARTICIPANT TERMINATED EMPLOYMENT AND

(H) 1. (2) (I) IF THE FORMER PARTICIPANT TERMINATED EMPLOYMENT AND WAS REEMPLOYED ON OR AFTER THE EFFECTIVE DATE OF BILL NO. 93-23, THE FORMER PARTICIPANT REPAYS THE REFUND OF ACCUMULATED CONTRIBUTIONS UNDER SUBSECTION (A) WITHIN 30 DAYS OF REEMPLOYMENT; OR

2. (II) IF THE FORMER PARTICIPANT TERMINATED EMPLOYMENT AND WAS REEMPLOYED AFTER JANUARY 1, 2014, AND PRIOR TO THE EFFECTIVE DATE OF BILL NO. 93-23, THE FORMER PARTICIPANT REPAYS THE ACTUARIALLY EQUIVALENT AMOUNT OF THE REFUNDED CONTRIBUTIONS RECEIVED WHEN EMPLOYMENT WAS TERMINATED, AT THE ELECTION OF THE FORMER PARTICIPANT: IN A LUMP SUM WITHIN 60 DAYS OF THE EFFECTIVE DATE OF BILL NO. 93-23; OR, AT THE ELECTION OF THE FORMER PARTICIPANT, THROUGH BI-WEEKLY AFTER-TAX PAYROLL DEDUCTIONS OVER A PERIOD OF UP TO THREE YEARS; OR THROUGH A COMBINATION OF A PARTIAL LUMP SUM PAYMENT WITHIN 60 DAYS OF THE EFFECTIVE DATE OF BILL NO. 93-23 AND PAYROLL DEDUCTIONS, AS

APPROVED BY THE PERSONNEL OFFICER.

## TITLE 5. POLICE SERVICE RETIREMENT PLAN

#### 5-5-201. Termination of service before retirement.

(A) **Refund of contributions.** [[A]] EXCEPT AS PROVIDED IN SUBSECTION (B), A participant whose employment is terminated before the participant becomes eligible for a retirement benefit is entitled to receive a refund of accumulated contributions[[. The]], AND THE refund shall be instead of other rights and benefits of the participant under this title.

### (B) Reemployment less than 12 months after termination.

(1) A PARTICIPANT WHO TERMINATES EMPLOYMENT BEFORE THE PARTICIPANT'S NORMAL RETIREMENT DATE MAY RETURN TO PARTICIPATION IN THE PLAN AND BE ENTITLED TO THE RIGHTS AND BENEFITS OF A PARTICIPANT UNDER THIS TITLE, INCLUDING CREDIT FOR YEARS OF SERVICE PRIOR TO TERMINATION, IF:

(+) (+) (+) THE FORMER PARTICIPANT IS REEMPLOYED IN A CLASSIFICATION THAT IS ELIGIBLE TO PARTICIPATE IN THE PLAN LESS THAN 12 MONTHS FROM THE DATE OF TERMINATION; AND

 $(\hbox{II})$  1.  $(\hbox{2})$   $(\hbox{I})$  IF THE FORMER PARTICIPANT TERMINATED EMPLOYMENT AND WAS REEMPLOYED ON OR AFTER THE EFFECTIVE DATE OF BILL NO. 93-23, THE FORMER PARTICIPANT REPAYS THE REFUND OF ACCUMULATED CONTRIBUTIONS UNDER SUBSECTION (A) WITHIN 30 DAYS OF REEMPLOYMENT; OR

2. (II) IF THE FORMER PARTICIPANT TERMINATED EMPLOYMENT AND WAS REEMPLOYED AFTER JANUARY 1, 2014, AND PRIOR TO THE EFFECTIVE DATE OF BILL NO. 93-23, THE FORMER PARTICIPANT REPAYS THE ACTUARIALLY EQUIVALENT AMOUNT OF THE REFUNDED CONTRIBUTIONS RECEIVED WHEN EMPLOYMENT WAS TERMINATED, AT THE ELECTION OF THE FORMER PARTICIPANT: IN A LUMP SUM WITHIN 60 DAYS OF THE EFFECTIVE DATE OF BILL NO. 93-23; OR, AT THE ELECTION OF THE FORMER PARTICIPANT, THROUGH BI-WEEKLY AFTER-TAX PAYROLL DEDUCTIONS OVER A PERIOD OF UP TO THREE YEARS; OR THROUGH A COMBINATION OF A PARTIAL LUMP SUM PAYMENT WITHIN 60 DAYS OF THE EFFECTIVE DATE OF BILL NO. 93-23 AND PAYROLL DEDUCTIONS, AS APPROVED BY THE PERSONNEL OFFICER.

Bill No. 93-23 Page No. 6

SECTION 3. And be it further enacted, That all references in this Ordinance to "the effective date of Bill No. 93-23", or words to that that effect, shall, upon codification, be replaced with the actual date on which this Ordinance takes effect under Section 307 of the County Charter as certified by the Administrative Officer to the County Council.

5 6

7

SECTION 4. *And be it further enacted*, That this Ordinance shall take effect 45 days from the date it becomes law.

AMENDMENTS ADOPTED: January 16 and February 5 and 20, 2024

READ AND PASSED this 20th day of February, 2024

By Order:

Laura Corby **O**Administrative Officer

PRESENTED to the County Executive for his approval this 22<sup>nd</sup> day of February, 2024

Laura Corby *O*Administrative Officer

APPROVED AND ENACTED this 28th day of February , 2024

Steuart Pittman
County Executive

EFFECTIVE DATE: April 13, 2024

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO. 93-23 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES OF THE COUNTY COUNCIL.

Laura Corby

Administrative Officer