

CITY OF BALTIMORE

STEPHANIE RAWLINGS-BLAKE, Mayor



DEPARTMENT OF LAW

GEORGE A. NILSON, City Solicitor
101 City Hall
Baltimore, Maryland 21202

February 2, 2015

The Honorable President and Members
of the Baltimore City Council
Attn: Karen Randle, Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 14-0457 – Employee’s Retirement System-Retirement Savings Plan-Clarifications

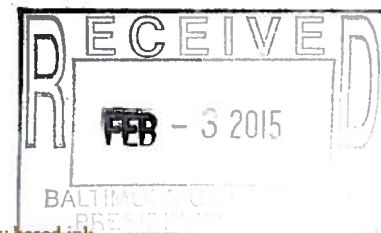
President and City Council Members:

The Law Department has reviewed City Council Bill 14-0457 for form and legal sufficiency. The bill changes Art. 22 of the Baltimore City Code for Class D members of the Employees Retirement System by:

1. Clarifying eligibility rules regarding service credit and accumulated contributions for Class D members who terminate City employment before vesting and then return to City employment;
2. Providing that service credit rules upon reemployment of Class C member who terminate employment on or after July 1, 2014 apply only if termination lasts more than 30 days.

The bill also amends Art. 22A, Retirement Saving Plan for Baltimore City by:

1. Clarifying that the Retirement Saving Plan is a profit sharing plan covered by IRC § 401(a);
2. Expanding the Board to 11 voting trustees, adding 3 representatives from the Baltimore City School System to the Board and reducing the number of trustees appointed by the Mayor to 3;
3. Providing that as required by IRC § 401(A)(37), the value of a member’s account is payable to the beneficiary of a member who dies while performing “qualified military service” as if the member died as an active employee;
4. Providing that members may elect how to invest employer contributions to 401(a) defined contribution accounts that have not vested; and
5. Clarifying the formula used to determine the City’s match to Deferred Compensation Plan contributions for certain members



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City Council Bill 14-0457 is consistent with the authority granted to the City Council in the Baltimore City Charter , Art. II, §24. The Law Department, therefore, approves the bill for form and legal sufficiency.

Sincerely yours,



Elena R. DiPietro
Chief Solicitor

cc: George Nilson, City Solicitor
Angela C. Gibson, Mayor's Legislative Liaison
Hilary Ruley, Chief Solicitor
Victor Tervalá, Chief Solicitor
Jennifer Landis, Assistant Solicitor