

**CITY OF BALTIMORE
COUNCIL BILL 14-0406
(First Reader)**

Introduced by: The Council President
At the request of: The Administration (Department of Finance)
Introduced and read first time: June 23, 2014
Assigned to: Taxation, Finance and Economic Development Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Fire and Police Employees' Retirement System, Department of Finance, Labor Commissioner

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Change to Grow: 10-Year Plan – Fire and Police Employees' Retirement System –**
3 **Retirement Savings Plan**

4 FOR the purpose of amending the provisions governing the Fire and Police Employees'
5 Retirement System to establish new eligibility, contribution, and benefit provisions for
6 members initially employed or reemployed on or after a certain date; amending the
7 Retirement Savings Plan to require these newly employed or reemployed employees to
8 become members of the Retirement Savings Plan, subject to certain eligibility, contribution,
9 and benefit provisions; providing that these newly employed or reemployed members are not
10 eligible to receive a job removal benefit or to participate in DROP 1; defining certain terms;
11 reconstituting the Board of Trustees of the Retirement Savings Plan; providing for a special
12 effective date; and generally relating to the Fire and Police Employees' Retirement System of
13 Baltimore City and the Retirement Savings Plan of Baltimore City.

14 BY repealing and reordaining, with amendments

15 Article 22 - Retirement Systems
16 Section(s) 32(f)(1), 34(a-1), (a-2), (a-3), (b-1)(4), (b-2), (d)(3), and (j-1)(1),
17 36(b)(3), and 36C(c)(1-b)(B)
18 Baltimore City Code
19 (Edition 2000)

20 BY adding

21 Article 22 - Retirement Systems
22 Section(s) 34(a-3), (b-1)(7), (b-3), (d)(4), (h-1), and (j-2), and 36(h)(6)
23 Baltimore City Code
24 (Edition 2000)

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

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1 BY repealing and reordaining, with amendments

2 Article 22A - Retirement Savings Plan

3 Section(s) 1-1(h), (i), (l), (n), (q), and (x), 2-2(a), (b)(1), (b)(2)(i), (b)(3)(i),
4 and (c), 3-1, 3-2, 3-3, 4-1(c), 5-1, 5-2(a) and (b), 5-3(b), 5-5(a) and (d),
5 5-6(a)(2)(i), and 6-1(b)(2)(i)

6 Baltimore City Code
7 (Edition 2000)

8 BY adding

9 Article 22A - Retirement Savings Plan

10 Section(s) 1-1(e-1), (e-2), (u-1), and (u-2) and 5-5(d)

11 Baltimore City Code
12 (Edition 2000)

13 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the
14 Laws of Baltimore City read as follows:

15 **Baltimore City Code**

16 **Article 22. Retirement Systems**

17 **Subtitle – Fire and Police Employees’ Retirement System**

18 **§ 32. Service creditable.**

19 (f) *Military service credit.*

20 (1) Notwithstanding any other provision of this subtitle, [upon] ON proper application to
21 the System, credit for military service, as defined in § 32(e) of this subtitle, for
22 purposes of eligibility for a normal service retirement under § 34(a-1), DROP under
23 § 36B, or DROP 2 under § 36C, and for benefit purposes, shall be granted to:

24 (I) any member of this [system] SYSTEM who:

25 (A) BECAME A MEMBER OF THIS SYSTEM BEFORE JANUARY 1, 2015,

26 (B) [has] served in the military prior to employment with the City, AND

27 (C) [if that member] has acquired at least 10 years of service and attained
28 the age of 50, or has acquired 20 years of service; OR

29 (II) ANY MEMBER OF THIS SYSTEM WHO:

30 (A) FIRST BECOMES A MEMBER OF THIS SYSTEM ON OR AFTER JANUARY 1,
31 2015, OR AGAIN BECOMES A MEMBER ON OR AFTER JANUARY 1, 2015;

32 (B) SERVED IN THE MILITARY PRIOR TO EMPLOYMENT OR REEMPLOYMENT
33 WITH THE CITY; AND

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(C) HAS ACQUIRED AT LEAST 25 YEARS OF SERVICE AND ATTAINED THE AGE OF 55, OR HAS ACQUIRED 10 YEARS OF SERVICE AND ATTAINED THE AGE OF 60.

§ 34. Benefits.

(a-1) *Normal service retirement benefits – AGE AND SERVICE REQUIREMENTS.*

(1) [Age and service requirements for retirements] *RETIREMENTS on or before June 30, 2010.*

(i) A member may retire with a normal service retirement on or before June 30, 2010, if, on his or her last day of City employment, the member meets the following age and service requirements:

(A) [(i)] for an employee who became a member of this [system] SYSTEM on or before June 30, 2003, and who retired on or after June 30, 1989:

1. [(A)] age 50, regardless of years of service; or
2. [(B)] regardless of age, 20 years of service; and

(B) [(ii)] for an employee who became a member of this [system] SYSTEM on or after July 1, 2003:

1. [(A)] age 50, with at least 10 years of service as a contributing member of this [system] SYSTEM; or
2. [(B)] regardless of age, 20 years of service, at least 10 years of which were as a contributing member of this [system] SYSTEM.

(II) FOR PURPOSES OF THIS PARAGRAPH (1), “YEARS OF SERVICE” DOES NOT INCLUDE ANY YEARS OF SERVICE EARNED AFTER A MEMBER BECOMES REEMPLOYED ON OR AFTER JANUARY 1, 2015.

(2) [Age and service requirements for retirements] *EMPLOYEES WHO WERE MEMBERS BEFORE JANUARY 1, 2015, AND WHO RETIRE on or after July 1, 2010.*

(i) [A member] AN EMPLOYEE WHO WAS A MEMBER BEFORE JANUARY 1, 2015[, may retire with] IS ELIGIBLE TO RECEIVE a normal service retirement BENEFIT on or after July 1, 2010, if he or she satisfies [item (i), (ii), or (iii) that follows] ONE OF THE FOLLOWING ITEMS:

(A) [(i)] as of June 30, 2010, he or she has met the applicable [age or service] requirements [set forth in] OF paragraph (1) of this subsection[.];

(B) [(ii) as of June 30, 2010, he or she has acquired 15 or more years of service and,] on the last day of his or her City employment, he or she has met the applicable [age or service] requirements [set forth in] OF paragraph (1) of this subsection AND, AS OF JUNE 30, 2010, HE OR SHE HAS BEEN CREDITED WITH 15 OR MORE YEARS OF SERVICE[.]; OR

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1 (C) [(iii)] on the last day of his or her City employment, he or she has either:

- 2 1. [(A) acquired] BEEN CREDITED WITH 25 or more years of service, at
3 least 15 years of which were as a contributing member of this
4 System; or
- 5 2. I. [(B) 1.] attained age 55; and
- 6 II. [2. acquired] BEEN CREDITED WITH 15 or more years of service
7 as a contributing member of this System.

8 (II) FOR PURPOSES OF THIS PARAGRAPH (2), “YEARS OF SERVICE” DOES NOT INCLUDE
9 ANY YEARS OF SERVICE EARNED AFTER A MEMBER BECOMES REEMPLOYED ON OR
10 AFTER JANUARY 1, 2015.

11 (3) *EMPLOYEES WHO BECOME MEMBERS ON OR AFTER JANUARY 1, 2015.*

12 (I) AN EMPLOYEE WHO FIRST BECOMES A MEMBER OF THIS SYSTEM ON OR AFTER
13 JANUARY 1, 2015, OR AGAIN BECOMES A MEMBER FOLLOWING REEMPLOYMENT ON
14 OR AFTER JANUARY 1, 2015, IS ELIGIBLE TO RECEIVE A NORMAL SERVICE
15 RETIREMENT BENEFIT IF THE MEMBER, AS OF THE LAST DAY OF HIS OR HER
16 EMPLOYMENT, HAS:

17 (A) ATTAINED AGE 55 AND BEEN CREDITED WITH AT LEAST 25 YEARS OF
18 SERVICE, WITH AT LEAST 15 YEARS OF SERVICE AS A CONTRIBUTING
19 MEMBER OF THIS SYSTEM; OR

20 (B) ATTAINED AGE 60 AND BEEN CREDITED WITH AT LEAST 10 YEARS OF
21 SERVICE, WITH AT LEAST 6 YEARS OF SERVICE AS A CONTRIBUTING
22 MEMBER OF THIS SYSTEM.

23 (II) FOR PURPOSES OF THIS PARAGRAPH (3):

24 (A) “SERVICE AS A CONTRIBUTING MEMBER OF THIS SYSTEM” INCLUDES
25 PREVIOUS SERVICE PURCHASED FOLLOWING REEMPLOYMENT UNDER
26 § 32(H-2) OF THIS SUBTITLE; AND

27 (B) EXCEPT FOR YEARS OF SERVICE CREDITED UNDER § 32(F) OF THIS
28 SUBTITLE, “YEARS OF SERVICE” DOES NOT INCLUDE ANY YEARS OF
29 PREVIOUS SERVICE OR TRANSFERRED-IN SERVICE NOT PURCHASED UNDER §
30 32 OF THIS SUBTITLE.

31 (a-2) *Early service retirement benefits – Age and service requirements.*

32 (1) *EMPLOYEES WHO WERE MEMBERS BEFORE JANUARY 1, 2015, AND WHO RETIRE ON OR*
33 *AFTER JULY 1, 2010.*

34 (i) [(1) On or after July 1, 2010, a member of this System on June 30, 2010,] AN
35 EMPLOYEE WHO WAS A MEMBER BEFORE JANUARY 1, 2015, TERMINATES
36 EMPLOYMENT ON OR AFTER JULY 1, 2010, AND does not satisfy the conditions of

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1 either paragraph [(2)(i)] 2(i)(A) or paragraph [(2)(ii)] 2(i)(B) of subsection (a-1)
2 of this section [may retire with] IS ELIGIBLE TO RECEIVE an early service
3 retirement BENEFIT [WHEN] IF, AS OF THE LAST DAY OF HIS OR HER EMPLOYMENT,
4 [when] he or she [first] meets the applicable [age or service] requirements for a
5 normal service retirement under subsection (a-1)(1) of this section.

6 (II) [(2)] The benefit commencement date of an early service retirement UNDER THIS
7 PARAGRAPH (1) is any date, AS elected by the member in accordance with
8 subsection [(a-3)] (A-4) of this section, [and] that is:

9 (A) on or after the date the member first meets the applicable [age or service]
10 requirements for a normal service retirement under subsection (a-1)(1) of
11 this section; and

12 (B) before the date [as of] ON which the member would have first met the [age
13 and service] requirements for a normal service retirement under subsection
14 [(a-1)(2)(iii)] (A-1)(2)(I)(C) of this section had he or she continued
15 employment with the City.

16 (2) *EMPLOYEES WHO BECOME MEMBERS ON OR AFTER JANUARY 1, 2015.*

17 (I) AN EMPLOYEE WHO FIRST BECOMES A MEMBER ON OR AFTER JANUARY 1, 2015, OR
18 AGAIN BECOMES A MEMBER FOLLOWING REEMPLOYMENT ON OR AFTER JANUARY
19 1, 2015, IS ELIGIBLE TO RECEIVE AN EARLY SERVICE RETIREMENT BENEFIT IF THE
20 MEMBER TERMINATES EMPLOYMENT WITH THE CITY WITHIN 5 YEARS OF THE DATE
21 ON WHICH THE MEMBER WOULD HAVE FIRST MET THE REQUIREMENTS FOR A
22 NORMAL SERVICE RETIREMENT UNDER SUBSECTION (A-1)(3) OF THIS SECTION HAD
23 HE OR SHE CONTINUED EMPLOYMENT WITH THE CITY.

24 (II) THE BENEFIT COMMENCEMENT DATE OF AN EARLY SERVICE RETIREMENT UNDER
25 THIS PARAGRAPH (2) IS ANY DATE, AS ELECTED BY THE MEMBER IN ACCORDANCE
26 WITH SUBSECTION (A-4) OF THIS SECTION, THAT IS:

27 (A) ON OR AFTER THE DATE THE MEMBER TERMINATES EMPLOYMENT WITH THE
28 CITY; AND

29 (B) BEFORE THE DATE ON WHICH THE MEMBER WOULD HAVE FIRST MET THE
30 REQUIREMENTS FOR A NORMAL SERVICE RETIREMENT UNDER SUBSECTION
31 (A-1)(3) OF THIS SECTION HAD HE OR SHE CONTINUED EMPLOYMENT WITH
32 THE CITY.

33 (A-3) *DEFERRED VESTED BENEFITS.*

34 (1) *ELIGIBILITY.*

35 (I) AN EMPLOYEE WHO FIRST BECOMES A MEMBER OF THIS SYSTEM ON OR AFTER
36 JANUARY 1, 2015, OR AGAIN BECOMES A MEMBER FOLLOWING REEMPLOYMENT ON
37 OR AFTER JANUARY 1, 2015, IS ELIGIBLE TO RECEIVE A DEFERRED VESTED BENEFIT
38 IF THE MEMBER TERMINATES EMPLOYMENT WITH THE CITY:

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1 (A) BEFORE BECOMING ELIGIBLE FOR A NORMAL SERVICE RETIREMENT UNDER
2 SUBSECTION (A-1)(3) OF THIS SECTION OR AN EARLY SERVICE RETIREMENT
3 UNDER SUBSECTION (A-2)(2) OF THIS SECTION;

4 (B) AFTER BEING CREDITED WITH AT LEAST 10 YEARS OF SERVICE AS A
5 CONTRIBUTING MEMBER OF THIS SYSTEM; AND

6 (C) DOES NOT WITHDRAW HIS OR HER ACCUMULATED CONTRIBUTIONS
7 CREDITED TO HIS OR HER ACCOUNT UNDER § 36(B) OF THIS SUBTITLE.

8 (II) FOR PURPOSES OF THIS PARAGRAPH (1), “SERVICE AS A CONTRIBUTING MEMBER OF
9 THIS SYSTEM” INCLUDES PREVIOUS SERVICE PURCHASED FOLLOWING
10 REEMPLOYMENT UNDER § 32(H-2) OF THIS SUBTITLE.

11 (2) *COMMENCEMENT OF BENEFIT – IN GENERAL.*

12 THE BENEFIT COMMENCEMENT DATE OF A DEFERRED VESTED BENEFIT UNDER THIS
13 SUBSECTION (A-3) IS ANY DATE, AS ELECTED BY THE MEMBER IN ACCORDANCE WITH
14 SUBSECTION (A-4) OF THIS SECTION, THAT IS:

15 (I) ON OR AFTER THE DATE ON WHICH THE MEMBER ATTAINS:

16 (A) AGE 50, FOR A MEMBER WITH 20 OR MORE YEARS OF CREDITED SERVICE
17 AS OF THE MEMBER’S TERMINATION DATE; OR

18 (B) AGE 55, FOR A MEMBER WITH AT LEAST 10, BUT LESS THAN 20, YEARS
19 OF CREDITED SERVICE AS OF THE MEMBER’S TERMINATION DATE, AND

20 (II) ON OR BEFORE THE DATE ON WHICH A MEMBER ATTAINS:

21 (A) AGE 55, FOR A MEMBER WITH 25 OR MORE YEARS OF CREDITED SERVICE
22 AS OF THE MEMBER’S TERMINATION DATE; OR

23 (B) AGE 60, FOR A MEMBER WITH AT LEAST 10, BUT LESS THAN 25, YEARS
24 OF CREDITED SERVICE AS OF THE MEMBER’S TERMINATION DATE.

25 (3) *COMMENCEMENT OF BENEFIT – AUTOMATIC.*

26 IF THE MEMBER DOES NOT ELECT TO BEGIN DISTRIBUTIONS BEFORE THE DATE
27 DESIGNATED IN PARAGRAPH (2)(II) OF THIS SUBSECTION, THE MEMBER WILL
28 AUTOMATICALLY BEGIN RECEIVING A BENEFIT IN THE FORM OF THE MAXIMUM
29 ALLOWANCE PROVIDED UNDER SUBSECTION (K) OF THIS SECTION.

30 (4) *REEMPLOYMENT AFTER EARNING A DEFERRED VESTED BENEFIT.*

31 IF AN EMPLOYEE WHO IS REEMPLOYED AFTER EARNING A DEFERRED VESTED BENEFIT,
32 BUT BEFORE COMMENCING RECEIPT OF THE BENEFIT, THE EMPLOYEE:
33

34 (I) WILL BE CREDITED WITH ADDITIONAL YEARS OF SERVICE ON HIS OR HER
35 REEMPLOYMENT, AND

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1 (II) ON THE EMPLOYEE'S SUBSEQUENT RETIREMENT, IS ELIGIBLE TO RECEIVE A
2 BENEFIT UNDER SUBSECTION (B-3) OF THIS SECTION, CALCULATED TO INCLUDE
3 YEARS OF SERVICE AFTER REEMPLOYMENT.

4 (A-4) [(a-3)] *Application.*

5 [To retire] EXCEPT AS PROVIDED IN SUBSECTION (A-3)(3) OF THIS SECTION, TO BEGIN
6 RECEIVING A BENEFIT under subsection (a-1), [or] (a-2), or (A-3) of this section, the
7 member must:

- 8 (1) [(i)] apply to the Board of Trustees, on a form approved by the Board;
- 9 (2) [(ii)] set forth the date he or she wants to [retire] BEGIN RECEIVING THE BENEFIT;
10 and
- 11 (3) [(iii)] submit the application to the Board no less than 30 days nor more than 90
12 days before the BENEFIT COMMENCEMENT date [of retirement].

13 (b-1) *Allowance on service retirement.*

14 Upon retirement from service a member shall receive a service retirement allowance as
15 follows:

16 . . .
17 (4) (I) For [any] AN EMPLOYEE WHO WAS A member BEFORE JANUARY 1, 2015, AND
18 who, [retires] AFTER BECOMING ELIGIBLE TO RECEIVE A NORMAL SERVICE
19 RETIREMENT BENEFIT UNDER SUBSECTION (A-1) OF THIS SECTION, TERMINATES
20 EMPLOYMENT WITH THE CITY on or after June 29, 1993, [with a normal
21 service retirement under subsection (a-1) of this section,] the normal service
22 retirement [allowance shall consist] BENEFIT CONSISTS OF:

- 23 (A) an annuity [which shall be] THAT IS the actuarial equivalent of his OR
24 HER accumulated contributions [at the time of his retirement]; and
- 25 (B) a pension [which] THAT, together with [his] THE annuity, [shall be
26 equal to] EQUALS THE SUM OF:

- 27 1. 2.5% of [his] THE EMPLOYEE'S average final compensation for
28 each year of the first 20 years of service, plus
- 29 2. 2% of [his] THE EMPLOYEE'S average final compensation for
30 each SUBSEQUENT year of service [thereafter].

31 (II) [(C)] The additional annuity provided as a result of voluntary contributions
32 permitted under § 36(b)(4) [shall be payable and shall] MAY not be used in
33 determining the pension payable under [§ 34(b-1)(4)(B)] SUBPARAGRAPH
34 (I)(B) OF THIS PARAGRAPH (4).

35 (7) (I) FOR AN EMPLOYEE WHO FIRST BECOMES A MEMBER ON OR AFTER JANUARY 1,
36 2015, OR AGAIN BECOMES A MEMBER FOLLOWING REEMPLOYMENT ON OR AFTER
37 JANUARY 1, 2015, AND WHO TERMINATES EMPLOYMENT WITH THE CITY AFTER

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1 BECOMING ELIGIBLE TO RECEIVE A NORMAL SERVICE RETIREMENT BENEFIT UNDER
2 SUBSECTION (A-1)(3) OF THIS SECTION, THE NORMAL SERVICE RETIREMENT
3 BENEFIT CONSISTS OF THE FOLLOWING, SUBJECT TO THE MAXIMUM SET BY
4 SUBPARAGRAPH (II) OF THIS SUBSECTION (7):

5 (A) AN ANNUITY THAT IS THE ACTUARIAL EQUIVALENT OF HIS OR HER
6 ACCUMULATED CONTRIBUTIONS AS OF THE DATE OF TERMINATION OF
7 MEMBERSHIP UNDER § 31(4) AND (5) OF THIS SUBTITLE; AND

8 (B) A PENSION THAT, TOGETHER WITH THE ANNUITY, EQUALS THE SUM OF:

- 9 1. 1.0% OF THE EMPLOYEE'S AVERAGE FINAL COMPENSATION FOR
10 EACH YEAR OF THE FIRST 10 YEARS OF SERVICE, PLUS
- 11 2. 1.67% OF THE EMPLOYEE'S AVERAGE FINAL COMPENSATION FOR
12 EACH SUBSEQUENT YEAR OF SERVICE DURING THE NEXT 10 YEARS,
13 PLUS
- 14 3. 1.33% OF THE EMPLOYEE'S AVERAGE FINAL COMPENSATION FOR
15 EACH SUBSEQUENT YEAR OF SERVICE DURING THE NEXT 10 YEARS.

16 (II) THE NORMAL SERVICE RETIREMENT ALLOWANCE EARNABLE BY A MEMBER UNDER
17 THIS PARAGRAPH (7) MAY NOT EXCEED 40% OF THE MEMBER'S AVERAGE FINAL
18 COMPENSATION, REGARDLESS OF YEARS OF SERVICE CREDITED BEYOND 30 YEARS.

19 (b-2) *Allowance on early service retirement.*

20 (1) *EMPLOYEES WHO WERE MEMBERS BEFORE JANUARY 1, 2015, AND WHO RETIRE ON OR*
21 *AFTER JULY 1, 2010.*

22 For [any] AN EMPLOYEE WHO WAS A member BEFORE JANUARY 1, 2015, AND who,
23 AFTER BECOMING ELIGIBLE TO RECEIVE AN EARLY SERVICE RETIREMENT BENEFIT
24 UNDER SUBSECTION (A-2)(1) OF THIS SECTION, [retires] TERMINATES EMPLOYMENT
25 WITH THE CITY on or after July 1, 2010, [with an early service retirement under
26 subsection (a-2) of this section,] the early service retirement [allowance] BENEFIT
27 [shall consist] CONSISTS of:

28 (i) an annuity [which shall be] THAT IS the actuarial equivalent of his or her
29 accumulated contributions [at the time of his or her retirement]; and

30 (ii) a pension [which] THAT, together with the annuity, [shall be equal to] EQUALS:

31 (A) the sum of:

- 32 1. 2.5% of [his or her] THE EMPLOYEE'S average final
33 compensation for each year of the first 20 years of service,
34 [and] plus
- 35 2. 2.0% of [his or her] THE EMPLOYEE'S average final
36 compensation for each subsequent year of service, reduced by

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1 (B) the applicable percentage shown below for each month or fraction of a
2 month by which [his or her] THE EMPLOYEE'S benefit commencement
3 date precedes the date [as of] ON which he or she would have first met
4 the requirements for a normal service retirement under subsection
5 [(a-1)(2)(iii)] (A-1)(2)(I)(C) of this section had he or she continued
6 employment with the City:

- 7 1. 6.5/12% per month for the first 60 months or fraction of a
8 month immediately preceding the member's normal service
9 retirement date[;], PLUS
- 10 2. 4.5/12% per month for the next 60 months or fraction of a
11 month[;], PLUS
- 12 3. 1/4% per month for the next 60 months or fraction of a
13 month[;], [and] PLUS
- 14 4. 1/6% per month for [any additional next months] EACH
15 SUBSEQUENT MONTH or fraction of a month.

16 (2) *EMPLOYEES WHO BECOME MEMBERS ON OR AFTER JANUARY 1, 2015.*

17 (i) FOR AN EMPLOYEE WHO FIRST BECOMES A MEMBER ON OR AFTER JANUARY 1,
18 2015, OR AGAIN BECOMES A MEMBER FOLLOWING REEMPLOYMENT ON OR AFTER
19 JANUARY 1, 2015, AND WHO, AFTER BECOMING ELIGIBLE TO RECEIVE AN EARLY
20 RETIREMENT SERVICE BENEFIT UNDER SUBSECTION (A-2)(2) OF THIS SECTION,
21 TERMINATES EMPLOYMENT WITH THE CITY, THE EARLY RETIREMENT BENEFIT
22 CONSISTS OF THE FOLLOWING, SUBJECT TO THE MAXIMUM SET BY SUBPARAGRAPH
23 (II) OF THIS PARAGRAPH (2):

24 (A) AN ANNUITY THAT IS THE ACTUARIAL EQUIVALENT OF THE EMPLOYEE'S
25 ACCUMULATED CONTRIBUTIONS AS OF THE DATE OF TERMINATION OF
26 MEMBERSHIP UNDER § 31(4) AND (5) OF THIS SUBTITLE; AND

27 (B) A PENSION THAT, TOGETHER WITH THE ANNUITY, EQUALS:

28 1. THE SUM OF:

- 29 I. 1.0% OF THE EMPLOYEE'S AVERAGE FINAL COMPENSATION
30 FOR EACH YEAR OF THE FIRST 10 YEARS OF SERVICE, PLUS
- 31 II. 1.67% OF THE EMPLOYEE'S AVERAGE FINAL COMPENSATION
32 FOR EACH SUBSEQUENT YEAR OF SERVICE DURING THE NEXT
33 10 YEARS, PLUS
- 34 III. 1.33% OF THE EMPLOYEE'S AVERAGE FINAL COMPENSATION
35 FOR EACH SUBSEQUENT YEAR OF SERVICE DURING THE NEXT
36 10 YEARS, REDUCED BY

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1 2. 0.5% PER MONTH FOR EACH MONTH OR FRACTION OF A MONTH BY
2 WHICH THE BENEFIT COMMENCEMENT DATE PRECEDES THE DATE
3 ON WHICH THE MEMBER WOULD HAVE FIRST MET THE
4 REQUIREMENTS FOR A NORMAL SERVICE RETIREMENT UNDER
5 SUBSECTION (A-1)(3) OF THIS SECTION HAD HE OR SHE CONTINUED
6 EMPLOYMENT WITH THE CITY.

7 (II) THE SERVICE RETIREMENT ALLOWANCE EARNABLE BY A MEMBER UNDER
8 SUBPARAGRAPH (I)(B) OF THIS PARAGRAPH (2), BEFORE REDUCTION, MAY NOT
9 EXCEED 40% OF AVERAGE FINAL COMPENSATION REGARDLESS OF YEARS OF
10 SERVICE CREDITED BEYOND 30 YEARS.

11 (B-3) *DEFERRED VESTED BENEFIT RETIREMENT ALLOWANCE.*

12 AN EMPLOYEE WHO IS ELIGIBLE TO RECEIVE A DEFERRED VESTED BENEFIT UNDER
13 SUBSECTION (A-3) OF THIS SECTION WILL, ON PROPER APPLICATION TO THIS SYSTEM,
14 RECEIVE A DEFERRED VESTED BENEFIT RETIREMENT ALLOWANCE CALCULATED PURSUANT
15 TO THE NORMAL SERVICE RETIREMENT FORMULA SET FORTH IN SUBSECTION (B-1)(7) OF
16 THIS SECTION, REDUCED, IF APPLICABLE, BY THE EARLY SERVICE RETIREMENT REDUCTION
17 FACTOR SET FORTH IN SUBSECTION (B-2)(2)(I)(B)2 OF THIS SECTION.

18 (d) *Allowance on non-line-of-duty disability retirement.*

19 (3) Any member WHO BECAME AN EMPLOYEE BEFORE JANUARY 1, 2015, AND who retires
20 on account of non-line-of-duty disability on or after July 1, 2003, [shall] IS ENTITLED
21 TO receive an allowance that is the greater of:

22 (I) [(A)] 25% of the member's average final compensation; or

23 (II) [(B)] a combination of:

24 (A) an annuity that is the actuarial equivalent of the member's
25 accumulated contributions at the time of retirement; and

26 (B) a pension that, together with the annuity, provides a [total] retirement
27 allowance equal to:

28 1. 2.5% of the member's average final compensation for each
29 YEAR of the first 20 years of service, plus

30 2. 2% of the member's average final compensation for each
31 subsequent year.

32 (4) ANY MEMBER WHO BECOMES AN EMPLOYEE ON OR AFTER JANUARY 1, 2015, OR IS
33 REEMPLOYED ON OR AFTER JANUARY 1, 2015, AND WHO RETIRES ON ACCOUNT OF
34 NON-LINE-OF-DUTY DISABILITY IS ENTITLED TO RECEIVE AN ALLOWANCE THAT IS THE
35 GREATER OF:

36 (I) 25% OF THE MEMBER'S AVERAGE FINAL COMPENSATION; OR

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1 (II) A COMBINATION OF:

2 (A) AN ANNUITY THAT IS THE ACTUARIAL EQUIVALENT OF THE MEMBER'S
3 ACCUMULATED CONTRIBUTIONS AT THE TIME OF RETIREMENT; AND

4 (B) A PENSION THAT, TOGETHER WITH THE ANNUITY, PROVIDES A
5 RETIREMENT ALLOWANCE CALCULATED UNDER SUBSECTION
6 (B-1)(7)(I)(B) OF THIS SECTION.

7 (H-1) DEATH BENEFIT FOR MEMBER OR FORMER MEMBER ELIGIBLE FOR DEFERRED VESTED
8 BENEFIT.

9 IF A MEMBER OR FORMER MEMBER ELIGIBLE TO RECEIVE A DEFERRED VESTED BENEFIT
10 UNDER SUBSECTION (A-3) OF THIS SECTION DIES BEFORE HIS OR HER BENEFIT COMMENCES,
11 A LUMP-SUM PAYMENT EQUAL TO THE MEMBER'S ACCUMULATED CONTRIBUTIONS WILL BE
12 MADE UNDER THE RULES SET FORTH IN § 36(B)(3) OF THIS SUBTITLE.

13 (j-1) *Retirement on account of job removal.*

14 (1) *Scope of [paragraph] SUBSECTION.*

15 (i) This [paragraph] SUBSECTION (J-1) [will be applied] APPLIES exclusively TO A
16 MEMBER OF THIS SYSTEM WHO BECAME A MEMBER BEFORE JANUARY 1, 2015,
17 [upon] AND IS SUBJECT TO receipt by [the system] THIS SYSTEM of a written
18 determination, [from] SIGNED BY the MEMBER'S agency head [of a member of this
19 system, which is] AND countersigned by an appropriate designee of: (1) the
20 Office of the Mayor, [(2)] the Director of Human Resources, or [(3)] the
21 Department of Law, confirming consultation by the agency head with each of the
22 three designees and certifying one of the following criteria for a job removal
23 retirement benefit:

24 (A) the member is being laid off without fault on his or her part due to a
25 reduction in force or diminished need for the services performed by the
26 holder of [such] THE position and is not being removed for poor
27 performance in the job[.];

28 (B) in the case of an exempt member working in an "at will" position not
29 covered by civil service, the member is being removed from his or her
30 position without fault on his or her part, at the initiation of his or her
31 agency and pursuant to its absolute discretion, and is not being removed
32 for poor performance in the job[.];

33 (C) the member is being removed from his or her position without fault on his
34 or her part due to physical or mental incapacity[.];

35 (D) the member is being removed from his or her position without fault on his
36 or her part and the mutual best interests of the agency and the member
37 would be served through the removal insofar as the removal will resolve a
38 personnel or disciplinary dispute between the agency and the member[.];
39 or

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1 (E) the member is being removed from his or her position without fault on his
2 or her part and the mutual best interests of the agency and the member
3 would be served through the removal, the agency head so certifies in good
4 faith, and the member represents in writing to the agency and to [the
5 system] THIS SYSTEM that, as of the date of the certification, he or she has
6 not been offered, has not accepted, and has not been given assurances of
7 other employment.

8 (ii) An agency head's determination and a member's representations under this
9 paragraph (1) shall be maintained as public records, open to public inspection,
10 and are not confidential personnel or retirement records.

11 (J-2) *RETIREMENT BENEFIT FOR REEMPLOYED RETIREES.*

12 (1) *SCOPE OF SUBSECTION.*

13 THIS SUBSECTION (J-2) APPLIES TO A MEMBER WHO:

14 (I) EITHER:

15 (A) HAS RETIRED AND HAS COMMENCED RECEIVING OR IS ENTITLED TO
16 RECEIVE A RETIREMENT ALLOWANCE UNDER SUBSECTION (B-1) OR
17 (B-2) OF THIS SECTION; OR

18 (B) HAS COMMENCED RECEIVING A RETIREMENT ALLOWANCE UNDER
19 SUBSECTION (B-3) OF THIS SECTION; AND

20 (II) IS SUBSEQUENTLY REEMPLOYED BY THE CITY AS AN EMPLOYEE.

21 (2) *BENEFIT SUSPENDED OR POSTPONED ON REEMPLOYMENT.*

22 ON REEMPLOYMENT WITH THE CITY, THE MEMBER'S RETIREMENT ALLOWANCE IS
23 SUSPENDED OR POSTPONED.

24 (3) *BENEFIT ON SUBSEQUENT RETIREMENT.*

25 ON THE MEMBER'S SUBSEQUENT RETIREMENT, THE FOLLOWING RULES APPLY:

26 (I) IF THE MEMBER WAS NOT PREVIOUSLY A PARTICIPANT IN DROP OR DROP 2,
27 AND WAS REEMPLOYED BEFORE JANUARY 1, 2015, THE MEMBER WILL RECEIVE
28 A BENEFIT UNDER SUBSECTION (B-1)(4) OR (B-2)(1) OF THIS SECTION, AS
29 APPLICABLE, CALCULATED TO INCLUDE YEARS OF SERVICE AFTER
30 REEMPLOYMENT.

31 (II) IF THE MEMBER PARTICIPATED IN DROP OR DROP 2 AND WAS REEMPLOYED
32 BEFORE JANUARY 1, 2015, THE MEMBER WILL RECEIVE A BENEFIT UNDER
33 § 36B(L) OR § 36C(Q) OF THIS SUBTITLE, RESPECTIVELY.

34 (III) IF THE MEMBER WAS REEMPLOYED ON OR AFTER JANUARY 1, 2015, THE
35 MEMBER WILL RECEIVE:

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(A) THE RETIREMENT BENEFITS THAT HAD BEEN SUSPENDED OR POSTPONED AT THE TIME OF THE MEMBER’S REEMPLOYMENT, PLUS

(B) AN ADDITIONAL RETIREMENT BENEFIT CALCULATED UNDER SUBSECTION (B-1)(7) OF THIS SECTION, BASED SOLELY ON YEARS OF SERVICE EARNED AFTER REEMPLOYMENT, WITHOUT REGARD TO THE ELIGIBILITY REQUIREMENTS OF SUBSECTION (A-1)(3) OF THIS SECTION.

(IV) THE AGGREGATE SERVICE RETIREMENT ALLOWANCE FOR A MEMBER WHO IS INITIALLY EMPLOYED ON OR AFTER JANUARY 1, 2015, AND THEN REEMPLOYED, MAY NOT EXCEED 40% OF THE MEMBER’S AVERAGE FINAL COMPENSATION.

§ 36. Method of financing.

(b) *Annuity Savings Fund.*

(3) *Payments from Fund.*

From the Annuity Savings Fund, the Board of Trustees shall pay the accumulated contributions of a member OR FORMER MEMBER that, as provided in this § 36:

- (i) are withdrawn by the member OR FORMER MEMBER; or
- (ii) if [a] THE member OR FORMER MEMBER dies, are paid to the member’s OR FORMER MEMBER’S DESIGNATED BENEFICIARY OR, IF THERE IS NO DESIGNATED BENEFICIARY, TO THE MEMBER’S OR FORMER MEMBER’S estate [or designated beneficiary].

(h) *Percentage of compensation contributable.*

(6) NOTWITHSTANDING PARAGRAPH (5) OF THIS SUBSECTION, ANY EMPLOYEE WHO FIRST BECOMES A MEMBER ON OR AFTER JANUARY 1, 2015, OR AGAIN BECOMES A MEMBER FOLLOWING REEMPLOYMENT ON OR AFTER JANUARY 1, 2015, SHALL CONTRIBUTE 6% OF HIS OR HER REGULAR COMPENSATION, BEGINNING WITH THE FIRST FULL PAYROLL PERIOD COMMENCING ON OR AFTER THE DATE THE EMPLOYEE BECOMES A MEMBER AND CONTINUING THROUGHOUT THE MEMBER’S REMAINING PERIOD OF SERVICE.

§ 36C. Deferred Retirement Option Plan 2.

(c) *Eligibility and application.*

(1-b) Notwithstanding § 30(6) of this subtitle, the [service credit] requirements for DROP 2 eligibility on or after July 1, 2010, are as follows:

....

(B) To be eligible, a member of this System who as of June 30, 2010, has not acquired 15 or more years of service must:

- 1. BE A MEMBER OF THIS SYSTEM BEFORE JANUARY 1, 2015; AND

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1 [(ii) any “employee”, as defined in City Code Article 22, § 30(2), for purposes of
2 membership in the Fire and Police Employees’ Retirement System of the City of
3 Baltimore.]

4 (3) *In case of doubt.*

5 (i) In all cases of doubt, the Board of Trustees determines who is an “employee”
6 under this article.

7 (ii) A determination by the Board under this paragraph is final and binding on all
8 persons, subject to the rights of appeal and review under § 2-17 {“Administrative
9 appeal”} and § 2-18 {“Judicial and appellate review”} of this article.

10 (i) *Hybrid member.*

11 “Hybrid member” means [an] A CIVILIAN employee who, under City Code Article 22,
12 § 9.1, has elected to become both a member of the Retirement Savings Plan and a Class
13 D member of the Employees’ Retirement System.

14 (l) *Member.*

15 (1) *In general.*

16 “Member” means an employee who is a member of the Retirement Savings Plan.

17 (2) *Inclusions.*

18 “Member” includes, except as otherwise specifically limited, any hybrid member, [or]
19 non-hybrid member, OR UNIFORMED MEMBER of the Plan.

20 (n) *Non-hybrid member.*

21 “Non-hybrid member” means [an] A CIVILIAN employee who, under City Code Article
22 22, § 9.1, has elected to become a member of the Retirement Savings Plan, but not a
23 Class D member of the Employees’ Retirement System.

24 (q) *Participating employer; Employer.*

25 “Participating employer” or “employer” means:

26 (1) the Mayor and City Council of Baltimore; [and]

27 (2) the Baltimore City Public School System;

28 (3) THE BALTIMORE CITY FIRE DEPARTMENT; AND

29 (4) THE BALTIMORE CITY POLICE DEPARTMENT.

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1 (U-1) *UNIFORMED EMPLOYEE.*

2 *SEE "EMPLOYEE".*

3 (U-2) *UNIFORMED MEMBER.*

4 "UNIFORMED MEMBER" MEANS A UNIFORMED EMPLOYEE WHO BECOMES A MEMBER OF
5 THE RETIREMENT SAVINGS PLAN UNDER § 3-1(B) OF THIS ARTICLE.

6 (x) *Vested account.*

7 "Vested account" means the aggregate of the following vested sub-accounts:

8 (1) a non-hybrid member's OR UNIFORMED MEMBER'S Mandatory Employee
9 Contribution Sub-Account;

10 (2) a member's Employer Contribution Sub-Account, if vested under § 7-2
11 {"Vesting: Employer Contribution Sub-Account"} of this article; and

12 (3) if applicable, a member's Rollover Contribution Sub-Account.

13 **Subtitle 2. Administration**

14 **§ 2-2. Board composition.**

15 (a) *In general.*

16 (1) The Board consists of [12] 15 trustees.

17 (2) Of these:

18 (i) 9 trustees serve with voting privileges ("voting trustees"); and

19 (ii) [3] 6 trustees serve in an advisory capacity only, without voting privileges
20 ("non-voting trustees").

21 (b) *Voting trustees.*

22 (1) *In general.*

23 The 9 voting trustees are:

24 (i) the Director of Finance or the Director's designated representative, who must
25 be either the Deputy Director of Finance or the Budget Director;

26 (ii) the City Comptroller;

27 (iii) the Director of Human Resources;

28 (iv) the City Labor Commissioner;

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1 (v) the Executive Director of the Employees’ Retirement System of the City of
2 Baltimore;

3 (VI) THE EXECUTIVE DIRECTOR OF THE FIRE AND POLICE EMPLOYEES’
4 RETIREMENT SYSTEM OF THE CITY OF BALTIMORE; and

5 (VII) [(vi) 4] 3 residents and registered voters of the City of Baltimore, to be
6 appointed by the Mayor in accordance with City Charter Article IV, § 6.

7 (2) *Appointed trustees – Qualifications.*

8 (i) The [4] 3 voting trustees appointed under paragraph [(1)(vi)] (1)(VII) of this
9 subsection must each have at least 10 years of relevant institutional investment
10 management expertise.

11 (3) *Appointed trustees – Term of office.*

12 (i) Each of the [4] 3 VOTING trustees appointed under paragraph [(1)(vi)] (1)(VII) of
13 this subsection serves for a term of 4 years, concurrent with the term of the
14 Mayor.

15 (c) *Non-voting trustees.*

16 The [3] 6 non-voting trustees are:

17 (1) [The] THE president of AFSCME Local 44;

18 (2) [The] THE president of the City Union of Baltimore (“CUB”); [and]

19 (3) [The] THE president of the Managerial and Professional Society of Baltimore, Inc.
20 (“MAPS”);

21 (4) THE PRESIDENT OF BALTIMORE FIRE FIGHTERS, LOCAL 734;

22 (5) THE PRESIDENT OF LODGE NO. 3, FRATERNAL ORDER OF POLICE; AND

23 (6) THE PRESIDENT OF BALTIMORE FIRE OFFICES, LOCAL 964.

24 **Subtitle 3. Plan Membership**

25 **§ 3-1. Membership mandatory.**

26 (A) *CIVILIAN EMPLOYEES.*

27 Every CIVILIAN employee who is initially employed or reemployed by a participating
28 employer on or AFTER July 1, 2014, must, as a condition of that employment, become
29 either a hybrid member or a non-hybrid member of the Retirement Savings Plan.

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1 (B) *UNIFORMED EMPLOYEES.*

2 EVERY UNIFORMED EMPLOYEE WHO IS INITIALLY EMPLOYED OR REEMPLOYED ON OR
3 AFTER JANUARY 1, 2015, MUST, AS A CONDITION OF THAT EMPLOYMENT, BECOME A
4 UNIFORMED MEMBER OF THE RETIREMENT SAVINGS PLAN.

5 **§ 3-2. Commencement of participation.**

6 (A) *CIVILIAN EMPLOYEES.*

7 (1) [(a)] *Initial employment.*

8 [An] A CIVILIAN employee initially employed by a participating employer on or after
9 July 1, 2014, must make an election under City Code Article 22, § 9.1, and, based on
10 that election, will commence participation as a hybrid member or a non-hybrid
11 member of the Plan on the 180th day after the date on which his or her initial
12 employment began.

13 (2) [(b)] *Reemployment.*

14 (i) [(1)] *Prior employment terminated after earning vested benefit.*

15 [An] A CIVILIAN employee who was employed by a participating employer on or
16 before June 30, 2014, and who, after having terminated that employment and
17 earning a vested benefit under a City retirement plan, is reemployed ON OR AFTER
18 JULY 1, 2014, by that or another participating employer, OTHER THAN THE
19 BALTIMORE CITY FIRE DEPARTMENT OR BALTIMORE CITY POLICE DEPARTMENT,
20 [on or after July 1, 2014,] automatically commences participation in the Plan as a
21 non-hybrid member on the 30th day after the date on which his or her
22 reemployment began.

23 (ii) [(2)] *Prior employment terminated before earning vested benefit.*

24 [An] A CIVILIAN employee who was employed by a participating employer on or
25 before June 30, 2014, and who, after having terminated that employment before
26 earning a vested benefit under a City retirement plan, is reemployed ON OR AFTER
27 JULY 1, 2014, by that or another participating employer, OTHER THAN THE
28 BALTIMORE CITY FIRE DEPARTMENT OR BALTIMORE CITY POLICE DEPARTMENT,
29 [on or after July 1, 2014,] must make an election under City Code Article 22, §
30 9.1, and, based on that election, will commence participation as a hybrid member
31 or a non-hybrid member of the Plan on the 180th day after the date on which his or
32 her reemployment began.

33 (3) [(c)] *Breaks in service.*

34 A [Plan] CIVILIAN member who terminates employment with a participating
35 employer and is subsequently reemployed by that or another participating employer,
36 OTHER THAN THE BALTIMORE CITY FIRE DEPARTMENT OR BALTIMORE CITY POLICE
37 DEPARTMENT, will recommence participation in the Plan as a hybrid member or a

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1 non-hybrid member, based on his or her previous election under City Code Article
2 22, § 9.1, on the 30th day after the date on which his or her reemployment began.

3 (B) *UNIFORMED EMPLOYEES.*

4 (1) *INITIAL EMPLOYMENT.*

5 A UNIFORMED EMPLOYEE INITIALLY EMPLOYED ON OR AFTER JANUARY 1, 2015, MUST
6 COMMENCE PARTICIPATION AS A UNIFORMED MEMBER OF THE PLAN ON THE 30TH DAY
7 AFTER THE DATE ON WHICH HIS OR HER INITIAL EMPLOYMENT BEGAN.

8 (2) *REEMPLOYMENT.*

9 A UNIFORMED EMPLOYEE OR CIVILIAN EMPLOYEE WHO WAS EMPLOYED BY A
10 PARTICIPATING EMPLOYER AND IS REEMPLOYED ON OR AFTER JANUARY 1, 2015 AS A
11 UNIFORMED EMPLOYEE AUTOMATICALLY COMMENCES OR RECOMMENCES
12 PARTICIPATION IN THE PLAN AS A UNIFORMED MEMBER ON THE 30TH DAY AFTER THE
13 DATE ON WHICH HIS OR HER REEMPLOYMENT BEGAN.

14 **§ 3-3. Dual memberships precluded.**

15 (a) *In general.*

16 Except as provided in subsection (b) of this section, a member of the Retirement Savings
17 Plan may not, while a member of the Retirement Savings Plan, make contributions to,
18 receive benefits from, or accrue service credit under any other City retirement plan.

19 (b) *Exceptions.*

20 Subsection (a) of this section does not apply to:

21 (1) participation by a hybrid member of the Retirement Savings Plan as a Class D
22 member of the Employees' Retirement System; OR

23 (2) PARTICIPATION BY A UNIFORMED MEMBER OF THE RETIREMENT SAVING PLAN AS
24 A MEMBER OF THE FIRE AND POLICE EMPLOYEES' RETIREMENT SYSTEM OF THE
25 CITY OF BALTIMORE.

26 (c) *Membership in Plan after participation in other City plan.*

27 (1) *Scope of subsection.*

28 This subsection applies to a person who:

29 (i) as a member of any other City retirement plan, becomes eligible for a
30 retirement benefit from that other plan; and

31 (ii) either:

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1 (A) BECOMES A CIVILIAN EMPLOYEE UNDER 1 OR ANOTHER OF THE
2 FOLLOWING CONDITIONS:

- 3 1. [(A)] after terminating employment or exiting elected office
4 and having begun to receive [that] THE benefit FROM THAT
5 OTHER PLAN, THE MEMBER becomes [an] A CIVILIAN employee
6 on or after July 1, 2014;
- 7 2. [(B)] after terminating active membership with the other City
8 retirement plan on or after July 1, 2014, THE MEMBER
9 immediately becomes [an] A CIVILIAN employee through a
10 transfer of employment; or
- 11 3. [(C)] after terminating employment or exiting elected office,
12 THE MEMBER becomes [an] A CIVILIAN employee on or after
13 July 1, 2014, before beginning to receive [that] THE benefit
14 FROM THAT OTHER PLAN; OR

15 (B) BECOMES A UNIFORMED EMPLOYEE UNDER 1 OR ANOTHER OF THE
16 FOLLOWING CONDITIONS:

- 17 1. AFTER TERMINATING EMPLOYMENT OR EXITING ELECTED
18 OFFICE AND HAVING BEGUN TO RECEIVE THE BENEFIT FROM
19 THAT OTHER PLAN, THE MEMBER BECOMES A UNIFORMED
20 EMPLOYEE ON OR AFTER JANUARY 1, 2015;
- 21 2. AFTER TERMINATING ACTIVE MEMBERSHIP WITH THE OTHER
22 CITY RETIREMENT PLAN ON OR AFTER JANUARY 1, 2015, THE
23 MEMBER IMMEDIATELY BECOMES A UNIFORMED EMPLOYEE
24 THROUGH A TRANSFER OF EMPLOYMENT; OR
- 25 3. AFTER TERMINATING EMPLOYMENT OR EXITING ELECTED
26 OFFICE, THE MEMBER BECOMES A UNIFORMED EMPLOYEE ON OR
27 AFTER JANUARY 1, 2015, BEFORE BEGINNING TO RECEIVE THE
28 BENEFIT FROM THAT OTHER PLAN.

29 (2) *Suspension or postponement.*

- 30 (i) For a person described in paragraph [(1)(ii)(A)] (1)(II)(A)1. OR (1)(II)(B)1. of this
31 subsection, payment of his or her benefit from the other City retirement plan is
32 suspended until the member later terminates employment.
- 33 (ii) For a person described in paragraph [(1)(ii)(B) or (c)] (1)(II)(A)2. OR 3. OR
34 (1)(II)(B)2. OR 3. of this subsection, receipt of her or his benefit from the other
35 City retirement plan is postponed until the member later terminates employment.

36 (3) *Death benefits.*

37 If a person described in paragraph (1) of this subsection dies before later terminating
38 employment, the following death benefits must be paid:

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1 (i) the death benefit provided for by § 9-4 {"Distributable events – Death"} of
2 this article; and

3 (ii) a death benefit from the other City retirement plan in accordance with Article
4 22, § 48(e)(1)(ii).

5 **Subtitle 4. Service**

6 **§ 4-1. "Service" defined.**

7 (c) *Inclusions.*

8 Notwithstanding subsection (b) of this section, "service" includes:

9 (1) any period credited to a hybrid member of the Retirement Savings Plan for
10 service as a Class D member of the Employees' Retirement System; AND

11 (2) ANY PERIOD CREDITED TO A UNIFORMED MEMBER OF THE RETIREMENT SAVINGS
12 PLAN FOR SERVICE, ON OR AFTER JANUARY 1, 2015, AS A MEMBER OF THE FIRE
13 AND POLICE EMPLOYEES' RETIREMENT SYSTEM.

14 **Subtitle 5. Contributions**

15 **§ 5-1. Types of contributions.**

16 The following contributions are made to the Retirement Savings Plan:

17 (1) Mandatory employee contributions made under § 5-2 {"Mandatory contributions by ...
18 members"} of this subtitle;

19 (2) Employer contributions made under § 5-3 {"Employer contributions"} of this
20 subtitle; and

21 (3) Rollover contributions made under § 5-4 {"Rollover contributions"} of this subtitle.

22 **§ 5-2. Mandatory contributions by non-hybrid AND UNIFORMED members.**

23 (a) *Scope of section.*

24 This section applies only to non-hybrid members AND UNIFORMED MEMBERS of the Plan.

25 (b) *[In general] MANDATORY CONTRIBUTIONS.*

26 Beginning with the first full payroll period that starts on or after the date on which a non-
27 hybrid OR UNIFORMED member commences participation in the Retirement Savings Plan
28 and continuing through the last full payroll period ending on or before termination of
29 employment with a participating employer:

30 (1) for each payroll period, the member must contribute THE FOLLOWING to the Plan:

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1 (I) FOR A NON-HYBRID MEMBER, 5% of [the] THAT member’s earnable
2 compensation for that payroll period; AND

3 (II) FOR A UNIFORMED MEMBER, 4% OF THAT MEMBER’S EARNABLE
4 COMPENSATION FOR THAT PAYROLL PERIOD.

5 (2) for each payroll period, the Department of Finance will cause the contribution to
6 be deducted from the member’s earnable compensation for that payroll period;
7 and

8 (3) as soon as administratively practicable after the deduction is taken, the
9 contribution will be credited to the member’s Mandatory Employee Contribution
10 Sub-Account.

11 **§ 5-3. Employer contributions.**

12 (b) *Non-hybrid AND UNIFORMED members.*

13 (1) For each payroll period in which a non-hybrid OR UNIFORMED member makes a
14 mandatory employee contribution under § 5-2 {“Mandatory contributions by ...
15 members”} of this subtitle, the member’s employer must contribute to the Retirement
16 Savings Plan an amount equal to 4% of the member’s earnable compensation for that
17 payroll period.

18 (2) As soon as administratively practicable after the employer contribution is made, the
19 contribution will be credited to the [non-hybrid] member’s Employer Contribution
20 Sub-Account.

21 **§ 5-5. Makeup contributions after military leave.**

22 (a) *Non-hybrid AND UNIFORMED members – In general.*

23 (1) (i) To the extent required by USERRA, a non-hybrid OR UNIFORMED member
24 returning from an unpaid leave of absence on account of military service may
25 make a 1-time irrevocable election to make up all or part of the mandatory
26 employee contributions the member would have been required to make under
27 § 5-2 {“Mandatory contributions by ... members”} of this subtitle had he or she
28 remained actively employed by a participating employer.

29 (ii) The non-hybrid OR UNIFORMED member’s makeup contribution is based on what
30 the member’s earnable compensation would have been had the member remained
31 actively employed.

32 (2) The election must:

33 (i) be made by filing with the Board of Trustees in the form required by the
34 Board; and

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1 (ii) include the amount of mandatory employee contributions that the non-hybrid
2 OR UNIFORMED member wishes to make up and the period (not to exceed the
3 lesser of 3 times the length of the leave of absence or 5 years) over which the
4 contributions will be made.

5 (3) (i) As soon as administratively practicable after the Board receives the non-hybrid
6 OR UNIFORMED member's election, the Department of Finance will cause the
7 amount of makeup contributions to be deducted from the member's earnable
8 compensation pro-rata for each payroll period during the period elected (but not
9 beyond the last full payroll period ending on or before the member's termination
10 of employment with an employer).

11 (ii) As soon as administratively practicable after each amount is deducted, the amount
12 will be credited to the member's Mandatory Employee Contribution Sub-
13 Account.

14 (4) Makeup contributions made under this subsection will be treated as being "picked
15 up" to the same extent as mandatory employee contributions are treated as being
16 "picked up" under § 5-2(c) {"Mandatory contributions by ... members: 'Picked-up'
17 Status"} of this subtitle.

18 (d) *UNIFORMED MEMBERS – EMPLOYER'S CONTRIBUTION.*

19 (1) FOR EACH PAYROLL PERIOD IN WHICH A UNIFORMED MEMBER ELECTS TO MAKE UP
20 MANDATORY EMPLOYEE CONTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION,
21 THE MEMBER'S EMPLOYER MUST MAKE A CORRESPONDING CONTRIBUTION TO THE
22 PLAN IN AN AMOUNT EQUAL TO 100% OF THE EMPLOYEE'S MANDATORY EMPLOYEE
23 CONTRIBUTION FOR THAT PAYROLL PERIOD (AS DETERMINED UNDER SUBSECTION (A)
24 OF THIS SECTION).

25 (2) AS SOON AS ADMINISTRATIVELY PRACTICABLE AFTER THE CORRESPONDING
26 CONTRIBUTION IS MADE, THE CONTRIBUTION WILL BE CREDITED TO THE MEMBER'S
27 EMPLOYER CONTRIBUTION SUB-ACCOUNT.

28
29 (E) [(d)] *Hybrid members.*

30 (1) To the extent required by USERRA, the employer of a hybrid member returning from
31 an unpaid leave of absence on account of military service must make an employer
32 contribution to this Plan in an amount equal to the amount the employer would have
33 been required to make, under § 5-3(c) {"Employer contributions: Hybrid members"}
34 of this subtitle, had the retiring member remained actively employed by a
35 participating employer.

36 (2) As soon as administratively practicable after the contribution is made, the
37 contribution will be credited to the hybrid member's Employer Contribution Sub-
38 Account.

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1 **§ 5-6. Maximum annual additions.**

2 (a) *Definitions.*

3 (2) “Annual additions”.

4 (i) *In general.*

5 “Annual additions” means the sum of the following amounts credited to a
6 member’s account for the Limitation Year:

7 (A) [Mandatory] MANDATORY employee contributions made under § 5-2
8 {“Mandatory contributions by ... members”} of this subtitle; and

9 (B) [Employer] EMPLOYER contributions made under § 5-3 {“Employer
10 contributions”} of this subtitle.

11 **Subtitle 6. Accounts**

12 **§ 6-1. Establishment.**

13 (b) *Sub-accounts.*

14 (2) To each of these sub-accounts:

15 (i) contributions are credited under § 5-2 {“Mandatory contributions by ...
16 members”}, § 5-3 {“Employer contributions”}, or § 5-4 {“Rollover
17 contributions”} of this article, respectively;
18

19 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance
20 are not law and may not be considered to have been enacted as a part of this or any prior
21 Ordinance.

22 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
23 after the date it is enacted.