



Committee: GO
Committee Review: At a future date
Staff: Christine Wellons, Senior Legislative Attorney
Purpose: To introduce agenda item – no vote expected

AGENDA ITEM#3B
December 12, 2023
Introduction

SUBJECT

Expedited Bill 46-23, OPT/SLT Bargaining Units – Pension and Retirement Adjustments

Lead Sponsor: Councilmember Katz

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- N/A

DESCRIPTION/ISSUE

Expedited Bill 46-23 would:

- (1) extend from January 4, 2024, to August 7, 2024, the deadline for eligible County employees enrolled in Groups E and J of the Employees' Retirement System to elect to purchase credited years of service with their existing Retirement Savings Plan or Guaranteed Retirement Income Plan balances; and
- (2) generally amend the law regarding the Employees' Retirement System.

SUMMARY OF KEY DISCUSSION POINTS

- N/A

This report contains:

Staff Report
Bill 46-23

Pages 1 - 2
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MEMORANDUM

December 7, 2023

TO: County Council

FROM: Christine Wellons, Senior Legislative Attorney

SUBJECT: Expedited Bill 46-23, OPT/SLT Bargaining Units – Pension and Retirement Adjustments

PURPOSE: Introduction – no vote required

Expedited Bill 46-23, OPT/SLT Bargaining Units – Pension and Retirement Adjustments, sponsored by Lead Sponsor Councilmember Katz, is scheduled for introduction on December 12, 2023. A public hearing is tentatively scheduled for January 16, 2024.

Expedited Bill 46-23 would:

- (1) extend from January 4, 2024, to August 7, 2024, the deadline for eligible County employees enrolled in Groups E and J of the Employees' Retirement System to elect to purchase credited years of service with their existing Retirement Savings Plan or Guaranteed Retirement Income Plan balances; and
- (2) generally amend the law regarding the Employees' Retirement System.

BACKGROUND/PURPOSE

On August 7, 2023, Expedited Bill 20-23 took effect to implement certain provisions of the Memorandum of Agreement between the Montgomery County Government and the Municipal & County Government Employees Organization, UFCW, Local 1994 (MCGEO). Under the expedited bill, certain classes of employees became eligible to participate in the Group E and Group J retirement plans.

Specifically, the following job classes for employees working in the Emergency Communications Center became eligible for pension benefits: Public Safety Emergency Communications Specialist I, Public Safety Emergency Communications Specialist II, Public Safety Emergency Communications Specialist III, Public Safety Emergency Communications Specialist IV, Senior Public Safety Emergency Communications Specialist, Public Safety

Communications Supervisor, Public Safety Emergency Communications Manager, or Emergency Communications MLS Manager 2.

Under the expedited bill, the newly eligible employees had 150 days in which to make a one-time purchase of credited service with their existing guaranteed retirement income plan or retirement savings plan balances. The 150-day deadline is set to expire on January 4, 2024.

The purpose of Expedited Bill 46-23 is to extend that 150-day deadline until August 7, 2024. This would allow newly eligible employees a longer period of time in which to make the election.

BILL DESCRIPTION

Expedited Bill 46-23 would extend from January 4, 2024, to August 7, 2024, the deadline for certain newly eligible County employees enrolled in Groups E and J of the Employees' Retirement System to elect to purchase credited years of service with their existing Retirement Savings Plan or Guaranteed Retirement Income Plan balances.

The bill would apply retroactively to January 4, 2024, in order to provide for an uninterrupted extension of the time to make the elections to purchase credited service under the pension plans.

This packet contains:
Expedited Bill 46-23

Circle #
© 1

Expedited Bill No. 46-23
Concerning: OPT/SLT Bargaining Units – Pension and Retirement Adjustments
Revised: 12/07/2023 Draft No. 1
Introduced: December 12, 2023
Expires: December 7, 2026
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: _____
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Katz

AN EXPEDITED ACT to:

- (1) extend from January 4, 2024, to August 7, 2024, the deadline for eligible County employees enrolled in Groups E and J of the Employees’ Retirement System to elect to purchase credited years of service with their existing Retirement Savings Plan or Guaranteed Retirement Income Plan balances; and
- (2) generally amend the law regarding the Employees’ Retirement System.

By amending:

Montgomery County Code
Chapter 33, Personnel and Human Resources
Section 33-41

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

26 of 0 years, unless the employee is otherwise eligible to
 27 purchase other service credits provided for in this section.

28 (2) Eligible employees who elect to purchase credited service under
 29 this subsection may not apply any years of service while a member
 30 of the guaranteed retirement income plan or the retirement savings
 31 plan for the purposes of calculating years of service under either
 32 the optional retirement plan or the integrated retirement plan.

33 (3) Eligibility for early or normal retirement will be based upon the
 34 credited service at the time the employee enters Group E plus any
 35 credited service purchased by the employee.

36 (4) The vesting provisions in subsection (a)(2) will apply to employees
 37 listed in subsection (r)(1) regardless of whether they elect to
 38 purchase service credit under this subsection.

39 (s) *Positions added to Group J eligibility.*

40 (1) Notwithstanding subsection (a)(2), a County member who was
 41 hired on or before July 1, 2023, and who was participating in the
 42 guaranteed retirement income plan or the retirement savings plan
 43 prior to Group J eligibility, and who becomes Group J eligible after
 44 July 1, 2023 may:

45 (A) make a one-time irrevocable election to purchase credited
 46 service with their entire existing guaranteed retirement
 47 income plan or retirement savings plan balances [within 150
 48 days of Group J eligibility] up to and including August 7,
 49 2024, in accordance with an actuarial determination of the
 50 value transferred; or

51 (B) retain guaranteed retirement income plan or retirement
52 savings plan balances, will no longer participate in the
53 guaranteed retirement income plan or retirement savings
54 plan, and will enter Group J with a credited service balance
55 of 0 years, unless the employee is otherwise eligible to
56 purchase other service credits provided for in this section.

57 (2) Eligible employees who elect to purchase credited service under
58 this subsection may not apply any years of service while a member
59 of the guaranteed retirement income plan or the retirement savings
60 plan for the purposes of calculating years of service under either
61 the optional retirement plan or the integrated retirement plan.

62 (3) Eligibility for early or normal retirement will be based upon the
63 credited service at the time the employee enters Group J plus any
64 credited service purchased by the employee.

65 (4) The vesting provisions in subsection (a)(2) will apply to employees
66 listed in subsection (s)(1) regardless of whether they elect to
67 purchase service credit under this subsection.

68 * * *

69 **Sec. 2. Effective date.** The Council declares that this legislation is necessary
70 for the immediate protection of the public interest. This Act takes effect on the date
71 on which it becomes law.

72 **Sec. 3. Retroactive Application.** This Bill applies retroactively to January 4,
73 2024, in order to provide for an uninterrupted extension of the time to make the
74 elections described in Sec. 1.