

Expedited Bill No. 5-07
Concerning: Personnel
- Retirement – Firefighters
Revised: 4-9-07 Draft No. 3
Introduced: March 8, 2007
Enacted: April 17, 2007
Executive: April 27, 2007
Effective: July 1, 2007
Sunset Date: None
Ch. 3, Laws of Mont. Co. 2007

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) allow a group G member to elect normal retirement after 20 years of service, regardless of age;
- (2) make a group G member ineligible for early retirement;
- (3) change the eligibility requirement for participation in the group G DROP program;
- (4) increase the contribution rates to the integrated plan for the first 24 years of credited service for group G members;
- (5) increase the amount of pension for the first 20 years of credited service for group G members;
- (6) allow for reduction in disability retirement lump sum payment by any amount of Worker's Compensation that the County paid a group G member during the period of time after the effective date of the disability retirement; and
- (7) generally amend the law regarding retirement for group G members.

By amending

Montgomery County Code
Chapter 33, Personnel and Human Resources
Sections 33-37, 33-38, 33-38A, 33-39, 33-42, ~~[[and]]~~ 33-43, and 33-45

Boldface

Underlining

[Single boldface brackets]

Double underlining

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law by original bill.

Added by amendment.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

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

1 **Sec. 1. Sections 33-37, 33-38, 33-38A, 33-39, ~~[[and]] 33-42, and 33-45~~**
2 **are amended as follows:**

3 **33-37. Membership requirements and membership groups.**

4 * * *

5 (f) Membership groups and eligibility. Any full-time or part-time
6 employee is eligible for membership in the appropriate membership
7 group outlined below if the employee meets all of the requirements
8 for the group:

9 * * *

10 (6) Group G: Any paid firefighter, paid fire officer, and paid rescue
11 service personnel. Any group G member who has reached
12 ~~[[elective early]]~~ normal retirement ~~[[date]]~~ may retain
13 membership in group G ~~[[in the event of transfer]]~~ if the
14 member transfers from the position which qualified the member
15 for group G. Any group G member who is temporarily
16 transferred from the position which qualified the member for
17 Group G may retain membership in group G as long as the
18 temporary transfer from the group G position does not exceed 3
19 years. Notwithstanding the foregoing provisions in group G,
20 any employee who is eligible for membership in group G must
21 participate in the retirement savings plan under Article VIII if
22 the employee:

23 * * *

24 (g) Transfer from one group to another. A member who elects to transfer
25 from one membership group to another as a result of amendments to
26 this Article must transfer by December 31, 1978, or forfeit this option.
27 However, under paragraph 4, a group D member may transfer to

group F at any time before the member's retirement date. Additional contributions made as a result of the transfer must not be treated as picked-up contributions.

* * *

(2) Transfers From Group B, D, E, F, or G to Group A or H. Whenever a group B, D, E, F, or G member transfers to a position which is qualified for membership in group A or H, the retirement service credits earned as a group B, D, E, F, or G member must be used for the purpose of qualifying for retirement as a group A or H member. The rate of contribution must be decreased as of the date of transfer, and ~~[[no refund will be made of]]~~ the difference in member contributions must not be refunded. Notwithstanding any other provision of this Article, any group E~~[[,]]~~ or F~~[[, or G]]~~ member who has not met the elective early retirement date and who transfers to group A or H must receive credited service at the rate of 1.25 years of service for each full year of service as a member of group E~~[[,]]~~ or F~~[[, or G]]~~. Notwithstanding any other provision of this Article, any group G member who has not met the normal retirement date and who transfers to group A or H must receive credited service at the rate of 1.25 years of service for each full year of service as a member of group G.

* * *

33-38. Normal retirement date, mandatory retirement date, early retirement date, and trial retirement.

(a) *Normal retirement date.* The normal retirement date is the first day of the month elected by a member after the member meets the years of

55 service and age requirements for the applicable membership group.

56 For normal retirement:

57 * * *

58 (6) Group G: The member must have at least:

59 * * *

60 (B) [25] 20 years of credited service regardless of age.

61 * * *

62 (e) *Early retirement date.*

63 (1) A member, other than a group G member, who has not met the
64 age and service requirements for a normal retirement [date]
65 may elect to retire on the first day of a month and may elect to
66 receive pension payments beginning on an early retirement date
67 if the following requirements are met:

68 [(1)] (A) [The] the group A member has at least 15 years of
69 credited service and has reached age 50, or has at least 20
70 years of credited service and has reached age 45[.];

71 [(2)] (B) [The] the group B member has at least 15 years of
72 credited service and has reached age 45[.];

73 [(3)] (C) [The] the group E member has at least 15 years of
74 credited service and has reached age 45, or has at least 20
75 years of credited service and has reached age 41[.];

76 [(4)] (D) [The] the group F member has at least 15 years of
77 credited service and has reached age 45, or has at least 20
78 years of credited service and has reached age 41[.]; or

79 [(5)] The group G member has at least 15 years of credited service
80 and has reached age 45, or has at least 20 years of credited
81 service and has reached age 41.]

82 [(6)] (E) [The] the group H member has at least 15 years of
83 credited service and has reached age 50, or has at least 20
84 years of credited service and has reached age 45.

85 (2) A group G member is not eligible for an early retirement.

86 * * *

87 **33-38A. Deferred Retirement Option Plans.**

88 * * *

89 (b) *DROP Plan for Group G members.*

90 (1) *Eligibility.* An employee who is a member of Group G and
91 who has [completed at least 25 years of credited service] met
92 the requirements for a normal retirement may participate in the
93 DROP Plan.

94 * * *

95 **33-39. Member contributions and credited interest.**

96 (a) *Member contributions.* Each member of the retirement system must
97 contribute a portion of the member's regular earnings through regular
98 payroll deductions.

99 * * *

100 (2) Member Contributions to the Integrated Retirement Plan. A
101 member of the Integrated Retirement Plan must contribute the
102 following percentage of regular earnings:

103 * * *

104 (E) Group G[,];

105 (i) [4 ¾] 5 ½ percent up to the maximum Social
106 Security wage base, and [8 ½] 9 ¼ percent of
107 regular earnings that exceed the wage base [[up to
108 the member's 25th year of credited service]] [and];

109 (ii) starting in the 25th year from the member's leave
 110 accrual date under the County payroll system, 4 ¾
 111 percent up to the maximum Social Security wage
 112 base, and 8 ½ percent of regular earnings that
 113 exceed the wage base on and after the member's
 114 25th year of credited service; and

115 * * *

116 **33-42. Amount of pension at normal retirement date or early retirement date.**

117 * * *

118 (b) *Amount of pension at normal retirement date.*

119 (1) Pension amount for an Optional Retirement Plan member.

120 * * *

121 (D) For a Group G member who is a member of the optional
 122 plan and retires on a normal retirement, the annual
 123 pension must equal [2] 2 ½ percent of average final
 124 earnings for each of the first 20 years of credited service
 125 completed[, 3 percent of average final earnings for
 126 completion of any year, or prorated portion of a year of
 127 credited service, in years 21 through 24, 8 percent of
 128 average final earnings for the 25th year of credited
 129 service completed or for a prorated portion of credited
 130 service of more than 24 years up to the completion of 25
 131 years,] and 2 percent of average final earnings for each
 132 year or prorated portion of a year of credited service of
 133 more than [25] 20 years, to a maximum of 31 years plus
 134 sick leave credits.

135 (2) Pension amount for an Integrated Retirement Plan member.

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(E) The County must compute the annual pension of a Group G member in the integrated retirement plan who retires on a normal retirement as follows:

(i) ~~[From]~~ from the date of retirement to the month that the member reaches Social Security retirement age, the following percentages of average final earnings apply:

(a) ~~[2]~~ 2 ½ percent, for each of the first 20 years of credited service;

(b) ~~[3]~~ 2 percent, for ~~[years 21 through 24]~~ each year of credited service of more than 20 years to a maximum of 31 years, plus sick leave credits; and

~~[(c)]~~ 8 percent, for the 25th year of credited service; and

(d) 2 percent, for each year of credited service of more than 25 years to a maximum of 31 years, plus sick leave credits; and]

~~[(e)]~~

~~(c)~~ 0 percent for years after year 31 (except sick leave credits referred to in subclause ~~[(d)b)]~~ [.]; and

(ii) ~~[From]~~ from the month the member reaches Social Security retirement age, the percentages specified in clause (i) must be reduced, respectively, by the following percentages of average final earnings for

163 the portion of any amount equal to or less than the
164 Social Security maximum covered compensation
165 in effect on the date of retirement:

166 (a) [0.625] 0.78125 percent, for each of the first
167 20 years of credited service; and

168 (b) [0.9375 percent, for years 21 through 24 of
169 credited service;

170 (c) 2.5 percent, for the 25th year of credited
171 service; and

172 (d)] 0.625 percent for each year of credited
173 service of more than [25] 20 years, to a
174 maximum of 31 years, plus sick leave
175 credits.

176 * * *

177 **33-43. Disability retirement.**

178 * * *

179 (d) *Disability retirement procedures.*

180 * * *

181 (11) For a Group G member, the amount of any lump sum
182 retroactive disability retirement benefit must be reduced by the
183 total amount of any temporary total disability, temporary partial
184 disability, or permanent partial disability payments that the
185 County made to the employee under the Workers'
186 Compensation laws after the effective date of the disability
187 retirement.

188 * * *

189 **33-45. Vested benefits and withdrawal of contributions.**

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(d) *Discontinued service retirement.*

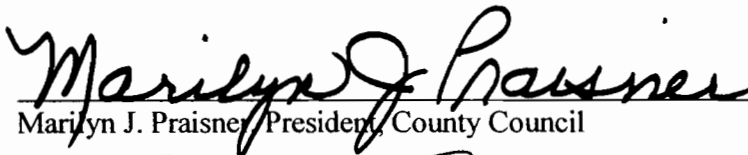
(1) Any member whose employment has been terminated by an administrative action may elect a discontinued service pension if the member has at least 10 years of continuous service. ~~[[, with]]~~ Except for a Group G member, pension payments ~~[[beginning]]~~ must begin on the member's early retirement date, or immediately if the member is eligible for early retirement. For a Group G member, pension payments must begin on the member's normal retirement date, or immediately if the member is eligible for normal retirement.

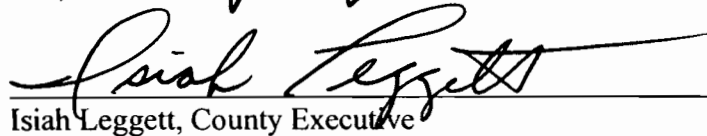
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Sec. 2. Expedited Effective Date.

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on July 1, 2007.

Approved:

 4/18/07
Marilyn J. Praisner, President, County Council Date

 April 22, 2007
Isiah Leggett, County Executive Date

This is a correct copy of Council action.

 4/27/07
Linda M. Lauer, Clerk of the Council Date