

Bill No. 11-08
Concerning: Personnel - Retirement --
Guaranteed Retirement Income Plan --
Pension Benefits -- Group E
Revised: 6-12-08 Draft No. 3
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Ch. 22, Laws of Mont. Co. 2008

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN ACT to:

- (1) create a new benefit structure within the employees' retirement system;
- (2) increase the normal retirement pension benefit of a Group E member of the integrated plan;
- (3) require employees to have 180 days of employment before becoming eligible to participate in the Retirement Savings Plan; and
- (4) generally amend the law regarding retirement.

By amending

Montgomery County Code
Chapter 33, Personnel and Human Resources
Sections 33-35, 33-37, 33-38, 33-39, 33-40, 33-41, 33-42, 33-43, 33-44, 33-45, 33-46, 33-47, 33-52, 33-115, 33-119, 33-128, 33-134 and 33-139

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:

- 27 (1) A full-time employee of the County or participating agency must
 28 become a member of a County retirement plan as a condition of
 29 employment, when the employee meets the applicable eligibility
 30 requirements, if the employee waives all rights of membership
 31 under any other retirement system supported in whole or in part
 32 by the State, a political subdivision of the State, or the County.
- 33 (2) A part-time employee who becomes a full-time employee and is
 34 not an active member of any County retirement plan ~~[[,]]~~ must
 35 become an active member of ~~[[either]]~~:
- 36 (A) the integrated retirement plan, if the employee is eligible
 37 for membership in the integrated plan; ~~[or]~~
- 38 (B) the Retirement Savings Plan, if the employee satisfies the
 39 requirements for membership in Group I or II, even if the
 40 employee did not begin or return to County service on or
 41 after October 1, 1994~~[[.]; or~~
- 42 (C) the guaranteed retirement income plan if the employee is
 43 eligible for membership and ~~[[makes an election]] elects to~~
 44 participate as described in subsection (k).
- 45 (3) A temporary employee who becomes a full-time employee must
 46 become an active member of ~~[[either]]~~:
- 47 (A) the integrated plan, if the employee is eligible for
 48 membership in the integrated plan; ~~[or]~~
- 49 (B) the Retirement Savings Plan, if the employee satisfies the
 50 requirements for membership in Group I or II, even if the
 51 employee did not begin or return to County service on or
 52 after October 1, 1994~~[[.]; or~~

53 (C) the guaranteed retirement income plan if the employee is
54 eligible for membership and [[makes an election]] elects to
55 participate as described in subsection (k).

56 (b) Part-time employees.

57 * * *

58 (2) A part-time employee who is not an active member of a
59 retirement plan may become a member of:

60 (A) the integrated plan, if the employee is eligible for
61 membership in the integrated plan; [or]

62 (B) the Retirement Savings Plan if the employee satisfies the
63 requirements for membership in Group I or II, even if the
64 employee did not begin or return to County service on or
65 after October 1, 1994[.]; or

66 (C) the guaranteed retirement income plan if the employee is
67 eligible for membership and [[makes an election]] elects to
68 participate as described in subsection (k).

69 * * *

70 (5) A full-time employee who becomes a part-time employee may
71 withdraw from active membership in the optional, [or] integrated,
72 or guaranteed retirement income plan and stop making retirement
73 contributions, but [[may]] must not become an active member of
74 a County retirement plan again unless the employee becomes a
75 full-time employee or an elected official.

76 * * *

77 (e) Retirement plans.

78 (1) This retirement system consists of an integrated retirement plan,
 79 an optional retirement plan, [and] an elected officials' plan, and a
 80 guaranteed retirement income plan.

81 * * *

82 (8) A former County employee who returns to County service may
 83 transfer to the retirement savings plan or to the guaranteed
 84 retirement income plan the actuarial present value of the
 85 employee's benefit in the [Employees' Retirement System]
 86 optional plan or integrated plan, calculated using the [System's]
 87 latest published valuation assumptions, as of the date the
 88 employee returns to County service, if the employee:

89 (A) was vested under Section 33-45 when the employee left
 90 County service;

91 (B) left all member contributions plus credited interest in the
 92 fund;

93 (C) left County service before October 1, 1994; and

94 (D) did not return to County service within 25 months.

95 (f) *Membership groups and eligibility.* Any full-time or part-time
 96 employee is eligible for membership in the appropriate membership
 97 group outlined below if the employee meets all of the requirements for
 98 the group:

99 (1) Group A: An employee, elected official, or appointed official not
 100 eligible for membership in another group is a group A member.
 101 An employee who otherwise would be eligible for membership in
 102 group A must participate in the guaranteed retirement income
 103 plan or the retirement savings plan if the employee:

- 104 (A) begins, or returns to, County service on or after October 1,
 105 1994 (except as provided in the last sentence of subsection
 106 (e)(2));
- 107 (B) is not represented by an employee organization;
- 108 (C) does not occupy a bargaining unit position; and
- 109 (D) is not an elected official (except as provided in subsection
 110 (e)(4)(D)(ii)).

111 * * *

- 112 (4) Group E: The chief administrative officer, the [director of the]
 113 council staff director, the hearing examiners, the county attorney
 114 and each head of a principal department, office or agency of the
 115 county government, if appointed to [[such]] that position before
 116 July 30, 1978, or a member having held [[such]] that position on
 117 or before October 1, 1972. Any sworn deputy sheriff and any
 118 County correctional staff or officer as designated by the chief
 119 administrative officer. Any group E member who has reached
 120 elective early retirement date may retain membership in group E
 121 [[in the event of transfer]] if the member transfers from the
 122 position which qualified the member for group E. Any group E
 123 member who is temporarily transferred from the position which
 124 qualified the member for group E may retain membership in
 125 group E as long as the temporary transfer from the group E
 126 position does not exceed 3 years. Notwithstanding the foregoing
 127 provisions in group E, any employee who is eligible for
 128 membership in group E must participate in the guaranteed
 129 retirement income plan or the retirement savings plan under
 130 Article VIII if the employee:

- 131 (A) (i) begins, or returns to, County service on or after
 132 October 1, 1994 (except as provided in the last
 133 sentence of subsection (e)(2));
 134 (ii) is not represented by an employee organization; and
 135 (iii) does not occupy a bargaining unit position; or
 136 (B) (i) begins County service on or after October 1, 1994;
 137 and
 138 (ii) is subject to the terms of a collective bargaining
 139 agreement between the County and an employee
 140 organization which requires the employee to
 141 participate in the guaranteed retirement income plan
 142 or the retirement savings plan.

143 * * *

- 144 (7) Group H: Any member, including any probationary employee,
 145 who holds a bargaining unit position described in section 33-
 146 105(a)(1) or section 33-105(a)(2), unless the member is eligible
 147 for membership in group B or E. Notwithstanding the foregoing
 148 provisions in group H, any employee who is eligible for
 149 membership in group H must participate in the guaranteed
 150 retirement income plan or the retirement savings plan under
 151 Article VIII if the employee:
 152 (A) begins, or returns to, County service on or after October 1,
 153 1994 (except as provided in the last sentence of subsection
 154 (e)(2)); and
 155 (B) is subject to the terms of a collective bargaining agreement
 156 between the County and an employee organization which

157 requires the employee to participate in the guaranteed
 158 retirement income plan or the retirement savings plan.

159 * * *

160 (h) Requirements of membership. Unless specifically exempt from
 161 membership by the chief administrative officer, each full-time employee
 162 of the county government or a participating agency must become a
 163 member or forfeit employment when the employee meets the eligibility
 164 requirements. If the administrative head of a participating agency [[fails
 165 to]] does not enforce this provision, any new [[employees]] employee of
 166 the agency [[shall be ineligible to]] must not be enrolled as [[members]]
 167 a member.

168 * * *

169 (k) Election to join the guaranteed retirement income plan.

170 (1) A full time or part time employee hired on [[and]] or after [[July]]
 171 October 1, 1994 and before January 1, 2009 who participates in
 172 the retirement savings plan and who is not a public safety
 173 employee as defined in Section 33-113(o) may make a one time
 174 irrevocable election to terminate participation in the retirement
 175 savings plan and participate in the guaranteed retirement income
 176 plan, effective the first full paycheck after July 1, 2009. An
 177 employee must make this election between December 31, 2008
 178 and June 1, 2009. An employee who makes this election [[will]]
 179 must have his or her retirement savings plan account balance
 180 transferred to the guaranteed retirement income plan. The
 181 amount transferred into the guaranteed retirement income plan
 182 [[will]] must become the participant's initial guaranteed
 183 retirement income plan account balance. An employee who does

184 not make this election must continue [[participation]] to
185 participate in the retirement savings plan.

186 (2) A full time or part time employee hired between December 31,
187 2008 and July 1, 2009 who participates in the retirement savings
188 plan and who is not a public safety employee as defined in
189 Section 33-113(o) may make a one time irrevocable election to
190 terminate participation in the retirement savings plan. An
191 employee has [[one hundred and fifty (150)]] 150 days [[from]]
192 after the date [[of hire]] the employee was hired to make this
193 election and [[will]] must begin participation on the first full
194 payroll after completing 180 days of employment. An employee
195 who makes this election [[will]] must have his or her retirement
196 savings plan account balance transferred to the guaranteed
197 retirement income plan. The amount transferred into the
198 guaranteed retirement income plan [[will]] must become the
199 participant's initial guaranteed retirement income plan account
200 balance. An employee who does not make this election must
201 continue [[participation]] to participate in the retirement savings
202 plan.

203 (3) A full time employee hired on [[and]] or after July 1, 2009 and a
204 part time or temporary employee who becomes full time on
205 [[and]] or after July 1, 2009 who does not participate in the
206 retirement savings plan and who is not a public safety employee,
207 as defined in Section 33-113(o), may elect to participate in the
208 guaranteed retirement income plan. An eligible employee must
209 make an irrevocable election during the first 150 days of full time
210 employment. If an eligible employee elects to participate,

211 participation [[will]] must begin on the first payroll after an
 212 employee has completed 180 days of full time employment. An
 213 employee who does not [[elect to]] participate in the guaranteed
 214 retirement income plan must participate in the retirement savings
 215 plan beginning on the first payroll after the employee completes
 216 180 days of full time employment.

217 (4) A part time or temporary employee hired on or after [[July]]
 218 October 1, 1994 who does not participate in the retirement
 219 savings plan, and who is not a public safety employee as defined
 220 in Section 33-113(o), may make a one time irrevocable election
 221 to participate in the guaranteed retirement income plan after the
 222 employee completes at least 150 days of employment.
 223 Participation [[will]] must begin on the first full payroll 30 days
 224 after the employee makes the election.

225 **33-38. Normal retirement date, mandatory retirement date, early retirement**
 226 **date, and trial retirement.**

227 (a) Normal retirement date. The normal retirement date is the first day of
 228 the month elected by a member after the member meets the years of
 229 service and age requirements for the applicable membership group. For
 230 normal retirement:

231 * * *

232 (9) A guaranteed retirement income plan participant must be at least
 233 age 62 with [[three]] 3 years of credited service.

234 * * *

235 (e) Early retirement date. A member who has not met the age and service
 236 requirements for a normal retirement date may elect to retire on the first

237 date of a month and may elect to receive pension payments beginning
 238 on an early retirement date if the following requirements are met:

239 * * *

240 (3) [[There is no early retirement provision under]] A participant in
 241 the guaranteed retirement income plan is not eligible for early
 242 retirement.

243 * * *

244 **33-39. Member contributions and credited interest.**

245 (a) Member contributions. Each member of the retirement system must
 246 contribute a portion of the member's regular earnings through regular
 247 payroll deductions.

248 * * *

249 (4) Member contributions to the guaranteed retirement income plan.

250 (A) A member in the guaranteed retirement income plan must
 251 contribute 4 [[percent]] % of regular earnings less than or
 252 equal to the Social Security wage base and 8 [[percent]] %
 253 of regular earnings that exceed the Social Security wage
 254 base.

255 (B) To the extent allowed under Section 414(h)(2) of the
 256 Internal Revenue Code, the County must "pick up" (as
 257 described in the Internal Revenue Code) member
 258 contributions to the guaranteed retirement income plan. A
 259 member is always vested in the member's contributions.

260 (C) When a member rejoins County service after military
 261 service that qualifies under Section 33-41(p) as credited
 262 service, the County must credit the member with the
 263 [[amount equal to the]] amount that the member would

264 have contributed if the member had worked for the County
 265 during [[the period of]] military service. Contribution
 266 credits for [[the period of]] military service must be based
 267 on the regular earnings the member would have earned
 268 during [[the period of]] military service. If the regular
 269 earnings are not reasonably ascertainable, the credit must
 270 be based on the member's regular earnings during a period
 271 immediately preceding the military service. The averaging
 272 period is 12 months, or the full length of the member's
 273 County service, whichever is shorter. The member [[will]]
 274 must not receive any retroactive credited interest on the
 275 contribution credits.

276 ~~[(4)]~~ (5) * * *

277 (5) ~~(6)~~ * * *

278 (b) Credited interest.

279 * * *

280 (5) A member of the guaranteed retirement income plan [[will]] must
 281 receive credited interest at a rate of 7.25% on the member's
 282 contributions in the member's guaranteed retirement income plan
 283 account. If the 7.25% interest rate does not comply with
 284 applicable law, the third segment rate described in Internal
 285 Revenue Code Section 430(h)(2)(G) [[will]] or any successor
 286 provision must apply. Interest [[will]] must be [[credited to the
 287 member's contributions]] credited to a member's guaranteed
 288 retirement income plan account balance on a monthly basis as of
 289 the last day of the month.

290 (c) Return of member contributions.

291 (1) Refund after employee's separation under the optional and
 292 integrated plans.

293 * * *

294 (6) Refund of member contributions in the guaranteed retirement
 295 income plan. A member who ends employment with the County
 296 who is not vested [[may]] must receive a distribution of the
 297 member's guaranteed retirement income plan account balance
 298 attributable to member contributions under Section 33-39 and
 299 interest on those contributions as soon as reasonably feasible after
 300 the member submits a properly completed distribution form. Any
 301 death benefits [[will]] must be paid under Section 33-46. Any
 302 indebtedness to the County government [[will]] must be
 303 subtracted from the member's refund.

304 * * *

305 **33-40. Employer Contributions.**

306 * * *

307 (e) Guaranteed retirement income plan.

308 (1) Each pay period, the County must credit to each member's
 309 guaranteed retirement income plan account an amount equal to
 310 [[eight (8) percent]] 8% of the member's regular earnings.
 311 Interest [[will]] must be credited at a rate of 7.25% on the County
 312 contribution credits. If the 7.25% interest rate does not comply
 313 with applicable law, the third segment rate described in Internal
 314 Revenue Code Section 430(h)(2)(G) [[will]] or any successor
 315 provision must apply. Interest [[will]] must be [[credited to the
 316 County contributions]] credited to a member's guaranteed

317 retirement income plan account balance on a monthly basis as of
 318 the last day of the month.

319 (2) When a member rejoins County service after military service that
 320 qualifies under Section 33-41(p) as credited service, the County
 321 must credit the member the amount that the County would have
 322 credited the member if the member worked for the County during
 323 [[the period of]] military service. The credits must be based on
 324 the regular earnings the member would have earned during [[the
 325 period of]] military service. If the regular earnings are not
 326 reasonably ascertainable, the County contribution credit must be
 327 based on the member's regular earnings during a period
 328 immediately preceding military service. The averaging period is
 329 12 months, or the full length of the member's County service,
 330 whichever is shorter. The member [[will]] must not receive any
 331 retroactive credited interest on the County contribution credits.

332 **33-41 Credited Service.**

333 * * *

334 (p) For [[purposes of]] the guaranteed retirement income plan, subsections
 335 (a)-(o) [[of this subsection]] do not apply and credited service [[is]]
 336 must be determined only under this subsection.

337 (1) Credited service includes the total County service the participant
 338 rendered under the guaranteed retirement income plan, the
 339 retirement savings plan, the optional retirement plan, and the
 340 integrated plan. Each participant must receive one year of
 341 credited service for each year of County service while
 342 participating in one of the County's retirement plans. Each year

- 343 of County service ends on the anniversary of the participant's
 344 date of participation.
- 345 (2) County service includes any period of service in the armed forces
 346 of the United States or a state militia or other military service
 347 covered under the Uniformed Services Employment and
 348 Reemployment Rights Act if the member:
- 349 (A) was a member of the retirement savings plan, the optional
 350 retirement plan, the integrated plan, or the guaranteed
 351 retirement income plan when the military service began;
- 352 (B) applied for reemployment or returned to County service
 353 within:
- 354 (i) one year [[of]] after discharge from the military
 355 service and without any other employment
 356 [[following]] after discharge from the military
 357 service; or
- 358 (ii) within [[two]] 2 years after completion of military
 359 service if the member was hospitalized or
 360 convalescing from an illness or injury incurred or
 361 aggravated during military service; or
- 362 (iii) more than [[two]] 2 years if circumstances beyond
 363 the control of the participant made it impossible or
 364 unreasonable for the participant to apply for
 365 reemployment within [[two]] 2 years; and
- 366 (C) the total period of military service did not exceed [[five]] 5
 367 years, excluding periods of military service described
 368 under Section 4312(c) of Title 38 of the United States
 369 Code.

370 (3) An employee who did not become a member of the guaranteed
 371 retirement income plan solely because the employee was called
 372 to active duty before completing 180 days of County
 373 employment, [[will]] must be eligible to receive contribution
 374 credit under Sections 33-39 and 33-40 if the employee elects to
 375 participate in the guaranteed retirement income plan upon re-
 376 employment.

377 **33-42. Amount of pension at normal retirement date or early retirement date.**

378 * * *

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

380 * * *

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

382 * * *

383 (C) For a Group E member in the integrated retirement plan
 384 who retires on a normal retirement, the annual pension
 385 must be computed as follows:

386 * * *

387 (ii) From the month the member reaches Social Security
 388 normal retirement age: [1.25] 1.65 [[percent]] % of
 389 average final earnings up to the Social Security
 390 maximum covered compensation in effect on the
 391 date of retirement for each year of credited service
 392 to a maximum of 31 years plus sick leave credits,
 393 plus 2.4 [[percent]] % of average final earnings
 394 above the Social Security maximum covered
 395 compensation in effect on the date of retirement for
 396 each of the first 25 years of credited service

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completed, and 2 ~~[[percent]]~~ % of average final earnings above the Social Security maximum covered compensation in effect on the date of retirement for each year of credited service of more than 25 years, to a maximum of 31 years plus sick leave credits. Years of credited service of less than one full year must be prorated. Sick leave credits used for years in excess of 25 years must be credited at 2 percent of average final earnings above the Social Security maximum covered compensation in effect on the date of retirement. The County must increase this initial amount by the cost-of-living adjustments provided under Section 33-44(c) for the period from the member's date of retirement to the month in which the member reaches Social Security retirement age.

* * *

(4) Guaranteed retirement income plan. A member who retires on or after the member's normal retirement date may receive that member's vested guaranteed retirement income plan account balance ~~[[in accordance with]]~~ under Section 33-44.

(c) *Amount of pension at early retirement date and early retirement reduction factors.*

* * *

(3) Guaranteed retirement income plan. A participant who terminates employment before the member's normal retirement date may receive the participant's vested guaranteed retirement

424 income plan account balance upon termination of employment
 425 [[in accordance with]] under Section 33-44.

426 * * *

427 **33-43 Disability Retirement.**

428 * * *

429 (n) Guaranteed retirement income plan. [[Sections]] Subsections (a)-(m) do
 430 not apply to a participant in the guaranteed retirement income plan. If a
 431 participant incurs a disability before termination from County
 432 employment which makes the participant unable to engage in any
 433 substantial gainful activity by reason of any medically determinable
 434 physical or mental impairment which can be expected to result in death
 435 or which has lasted or can be expected to last for a continuous period of
 436 not less than 12 months, the disabled participant must remain a
 437 participant in the guaranteed retirement income plan under the
 438 following rules:

439 (1) All amounts credited to the participant's guaranteed retirement
 440 income plan account are 100% vested regardless of the
 441 participant's credited service.

442 (2) The participant must participate in the guaranteed retirement
 443 income plan under this Section until the participant dies, reaches
 444 his or her normal retirement date, or recovers from the disability.

445 (3) In determining the credited amount of County contributions
 446 under Section 33- 40, the participant's regular earnings means the
 447 regular earnings the participant would have received for the year
 448 if the participant [[was]] were paid for the full year at the rate of
 449 compensation paid in the pay period immediately before the
 450 participant became disabled.

478 account balance to buy an annuity contract from an insurance
 479 company authorized to do business in the State.

480 (3) No other ~~[[forms]] form of payment options listed in this Section~~
 481 ~~[[are]] is available to guaranteed retirement income plan~~
 482 participants.

483 ~~[(g)] (h)~~ * * *

484 ~~[(h)] (i)~~ * * *

485 ~~[(i)] (j)~~ * * *

486 ~~[(j)] (k)~~ * * *

487 ~~[(k)] (l)~~ * * *

488 ~~[(l)] (m)~~ * * *

489 (n) Required distributions for guaranteed retirement income plan
 490 participants. The distribution of a participant's guaranteed retirement
 491 income plan account balance must be made no later than April 1 of the
 492 calendar year ~~[[following]] after the later of the calendar year in which~~
 493 the participant attains age ~~[[seventy and one-half (70 1/2)]] 70 1/2 or the~~
 494 calendar year in which the participant terminates employment.
 495 Distributions ~~[[will]] must be made in accordance with subsection (g).~~
 496 If the participant ~~[[fails to]] does not elect a form of distribution, the~~
 497 distribution ~~[[will]] must be made in a lump sum. If the participant dies~~
 498 before beginning to receive benefits, the participant's designated
 499 beneficiary under 33-46(h) ~~[[will]] must receive a lump sum distribution~~
 500 as soon as practicable ~~[[following]] after the participant's death, but ~~[[in~~~~
 501 no event]] not later than the December 31st of the year containing the
 502 fifth anniversary of the participant's death.

503 ~~[(m)] (o)~~ * * *

504 ~~[(n)] (p)~~ * * *

532 be expected to result in death or which has lasted or can be
 533 expected to last for a continuous period of not less than 12
 534 months. A member who terminates employment with the County
 535 and is not vested in any County contribution credits or the
 536 credited interest on the County contribution credits must forfeit
 537 the County contribution credits plus the credited interest on the
 538 County contributions credits.

539 (d) *Discontinued service retirement for optional and integrated plans.*

540 * * *

541 **33-46. Death benefits and designation of beneficiaries.**

542 * * *

543 (h) Guaranteed retirement income plan. Subsections (a)-(g) [[are]] do not
 544 [[applicable]] apply to the guaranteed retirement income plan. If a
 545 participant dies before receiving the participant's guaranteed retirement
 546 income plan account, the guaranteed retirement income plan account
 547 balance must be distributed to the participant's designated beneficiary in
 548 a lump sum as soon as practicable [[following]] after the participant's
 549 death, but [[in no event]] not later than the December 31st of the year
 550 containing the fifth anniversary of the participant's death.

551 (1) A participant may name a primary beneficiary or beneficiaries
 552 and contingent beneficiary or beneficiaries on a designation of
 553 beneficiaries form [[to be]] filed with the Office of Human
 554 Resources. If a participant names [[two]] 2 or more persons as
 555 beneficiaries, the persons are considered co-beneficiaries and
 556 share the benefit equally unless the participant specifies otherwise
 557 on the designation of beneficiaries form. A participant may
 558 change any named beneficiary by completing a new designation

559 of beneficiaries form. The consent of the beneficiary or
 560 beneficiaries is not required to name or change a beneficiary.
 561 The designation is effective when the participant signs the form
 562 even if the participant is not living when the Office receives the
 563 request, but without prejudice for any payments made before the
 564 Office [[of Human Resources]] received the request.

565 (2) If a participant dies without designating a surviving beneficiary
 566 or the designation is not enforceable under subsection (i), the
 567 surviving spouse or domestic partner (or if there is no surviving
 568 spouse or domestic partner, each surviving child, sharing equally
 569 with any other surviving child) is the designated beneficiary. If
 570 no spouse, domestic partner, or child survives a participant who
 571 left no enforceable beneficiary designation, the participant's estate
 572 is the designated beneficiary.

573 [(h)] (i) * * *

574 **33-47. Administration.**

575 * * *

576 (e) Payment of expenses and contributions.

577 * * *

578 (2) The board must pay:

579 (A) operating expenses of the integrated retirement plan, [and]
 580 the optional retirement plan, and the guaranteed retirement
 581 income plan from the assets of these plans; and

582 * * *

583 **33-52. Payment of benefits.**

584 * * *

585 (b) Discontinuance of pension payments. A member must not receive
 586 pension payments while serving in an appointed or elected County
 587 office that receives any compensation paid by the County. A member
 588 appointed to a full-time County position must become a member of the
 589 retirement system or the Retirement Savings Plan under Sections 33-37
 590 and 33-115 and make member contributions until later separation under
 591 Article III or Article VIII. The retirement benefit of an employee who
 592 resumes membership in the optional or integrated plan must be
 593 recalculated when the employee later separates from service. The
 594 retirement benefit under the integrated or optional plans of Article III of
 595 an employee who becomes a member of the Retirement Savings Plan or
 596 the guaranteed retirement income plan must resume when the employee
 597 later separates from service.

598 * * *

599 **33-115. Participant requirements and participant groups.**

600 (a) Participant Requirements.

601 (1) Full-time employees.

602 (A) Except as provided in paragraphs (3), [and] (4), and (7)
 603 and the last sentence of Section 33-37(e)(2), a full-time
 604 employee eligible for membership in Group I or Group II
 605 must participate in the Retirement Savings Plan when the
 606 full-time employee meets the applicable eligibility
 607 requirements or forfeit employment, unless the Chief
 608 Administrative Officer exempts the employee from
 609 participation.

- 610 (B) A part-time employee who becomes a full-time employee
 611 and is not an active member of any retirement plan for
 612 County employees, must become a member of ~~[[either]]~~:
- 613 (i) the integrated retirement plan, if the employee is
 614 eligible for membership in the integrated plan; ~~[or]~~
- 615 (ii) the retirement savings plan, if the employee
 616 qualifies for Group I or II, even if the employee did
 617 not begin or return to County service on or after
 618 October 1, 1994~~[.]~~; ~~or~~
- 619 (iii) the guaranteed retirement income plan if the
 620 employee is eligible for membership and makes an
 621 election in accordance with subsection (7).
- 622 (C) A temporary employee who becomes a full-time employee
 623 must become an active member of ~~[[either]]~~:
- 624 (i) the integrated plan, if the employee is eligible for
 625 membership in the integrated plan; ~~[or]~~
- 626 (ii) the Retirement Savings Plan, if the employee
 627 satisfies the requirements for membership in Group
 628 I or II, even if the employee did not begin or return
 629 to County service on or after October 1, 1994~~[.]~~; ~~or~~
- 630 (iii) the guaranteed retirement income plan if the
 631 employee is eligible for membership in the
 632 guaranteed retirement income plan and makes
 633 ~~[[and]] an election ~~[[in accordance with]] under~~~~
 634 subsection (7).
- 635 (2) Part-time employees.

636 (A) A part-time employee eligible for membership in Group I
 637 or Group II may elect to participate in the plan. An
 638 employee who becomes a member of the Retirement
 639 Savings Plan must remain an active member until the
 640 employee becomes ineligible for membership in Group I
 641 or II.

642 (B) A part-time employee who is not an active member of a
 643 retirement plan may become a member of ~~[[either]]~~:

644 (i) the integrated plan, if the employee is eligible for
 645 membership in the integrated plan; ~~{or}~~

646 (ii) the Retirement Savings Plan if the employee
 647 satisfies the requirements for membership in Group
 648 I or II, even if the employee did not begin or return
 649 to County service on or after October 1, 1994~~]; or~~

650 (iii) the guaranteed retirement income plan if the
 651 employee is eligible for membership and makes an
 652 election ~~[[in accordance with]] under subsection (7).~~

653 * * *

654 (7) Election to participate in the guaranteed retirement income plan.

655 (A) A full time employee hired on ~~[[and]] or after July 1, 2009~~
 656 and a part time and temporary employee who becomes full
 657 time after July 1, 2009, who is not a public safety
 658 employee, may ~~[[elect to]] participate in the guaranteed~~
 659 retirement income plan. An eligible employee must make
 660 a one time irrevocable election during the first 150 days of
 661 employment. If an eligible employee elects to participate,
 662 participation ~~[[will]] must begin on the first payroll after an~~

663 employee has completed 180 days of full time
 664 employment. A full time employee who does not elect to
 665 participate in the guaranteed retirement income plan must
 666 participate in the retirement savings plan beginning on the
 667 first payroll after the employee has completed 180 days of
 668 full time employment.

669 (B) A part time or temporary employee hired on or after
 670 [[July]] October 1, 1994 who is not a participant in the
 671 retirement savings plan, and who is not a public safety
 672 employee, may make a one time irrevocable election to
 673 participate in the guaranteed retirement income plan any
 674 time after the employee has completed 150 days of
 675 employment.

676 (b) Participants groups and eligibility.

677 (1) Group I. Except as provided in the last sentence of Section 33-
 678 37(e)(2), any full - time or career part-time employee meeting the
 679 criteria in paragraphs (A) or (B) [[below]] must participate in the
 680 retirement savings plan if the employee begins, or returns to,
 681 County service on or after October 1, 1994[; and]. [[Employees]]
 682 An employee hired on [[and]] or after July 1, 2009 must be
 683 employed on a full time or part time basis with the County for
 684 180 days before participating in the retirement savings plan.
 685 Participation [[will]] must begin on the first payroll after an
 686 employee has completed 180 days of employment if the
 687 employee:

688 (A) (i) is not represented by an employee organization;
 689 (ii) does not occupy a bargaining unit position; [and]

- 690 (iii) is not a public safety employee; [or] and
 691 (iv) does not elect to participate in the guaranteed
 692 retirement income plan; or
 693 (B) (i) is not a public safety employee;
 694 (ii) is subject to the terms of a collective bargaining
 695 agreement between the County and an employee
 696 organization which requires the employee to
 697 participate in the retirement savings plan[.] if the
 698 employee does not elect to participate in the
 699 guaranteed retirement income plan; and
 700 (iii) does not elect to participate in the guaranteed
 701 retirement income plan.

702 * * *

703 (c) Transfers.

- 704 (1) Transfers from the retirement savings plan are [not permitted]
 705 only permitted as described in paragraph (4). After an employee
 706 enrolls in the retirement savings plan, the employee must
 707 continue in the retirement savings plan until the employee
 708 [[ceases to be]] is no longer eligible for membership in either
 709 Group I or Group II. If an employee is no longer eligible for
 710 membership in Group I or Group II, the employee [[will be
 711 eligible to]] may participate in the plan of the retirement system
 712 in which the member qualifies for participation under Article III.

- 713 (A) A former participant who is no longer eligible to
 714 participate in the retirement savings plan retains the right
 715 to the vested account balances and any distribution under
 716 the retirement savings plan[.], unless the participant elected

717. to participate in the guaranteed retirement income plan
 718 under ~~[[subsection]]~~ paragraph (4) and the participant's
 719 account balance was transferred to the guaranteed
 720 retirement income plan.

721 (B) The former participant's participation under the optional
 722 retirement plan, the integrated retirement plan, or the
 723 guaranteed retirement income plan is governed by Article
 724 III.

725 * * *

726 (4) Transfer to the guaranteed retirement income plan.

727 (A) A full time or part time employee hired on ~~[[and]]~~ or after
 728 ~~[[July]]~~ October 1, 1994 and before January 1, 2009 who
 729 participates in the retirement savings plan, and who is not a
 730 public safety employee, may make a one time irrevocable
 731 election to terminate participation in the retirement savings
 732 plan and participate in the guaranteed retirement income
 733 plan effective the first full ~~[[paycheck]]~~ pay period after
 734 July 1, 2009. An employee must make this election
 735 between December 31, 2008 and June 1, 2009. An
 736 employee who elects to terminate participation in the
 737 retirement savings plan ~~[[will]]~~ must have his or her
 738 account balances transferred to the guaranteed retirement
 739 income plan. An employee who does not make this
 740 election must continue to participate in the retirement
 741 savings plan.

742 (B) A full time or part time employee hired between December
 743 31, ~~[[2009]]~~ 2008 and July 1, 2009 who participates in the

744 retirement savings plan, and who is not a public safety
 745 employee, may make a one time irrevocable election to
 746 terminate participation in the retirement savings plan and
 747 participate in the guaranteed retirement income plan. An
 748 [[employees]] employee has [[one hundred and fifty
 749 (150)]] 150 days [[from the date of hire]] after the
 750 employee was hired to make this election. An employee
 751 who makes this election [[will]] must have his or her
 752 account balance transferred to the guaranteed income plan.
 753 An employee who does not make this election must
 754 continue to participate in the retirement savings plan.

755 **33-119. Credited service.**

756 (a) A participant's credited service is the total County service the participant
 757 rendered under the Retirement Savings Plan, the optional retirement
 758 plan, the integrated plan, and the guaranteed retirement income plan. A
 759 participant must receive credited service for any period when the
 760 participant was a part-time employee contributing to an employer-
 761 supported savings program provided by a participating agency. An
 762 employee hired before July 1, 2009 [Each participant] must receive 1
 763 year of credited service for each year of County service, [[and [.]
 764 [E]each]] Each year of County service ends on the anniversary of the
 765 date the participant starting working for the County. An employee hired
 766 on [[and]] or after July 1, 2009 must receive one year of credited service
 767 for each year of participation in a County retirement plan. A person
 768 who transferred to the Retirement Savings Plan under Section 115(a)(3)
 769 or (4) must receive credit for County service for creditable State service
 770 earned as a State employee of the County Department of Social

771 Services. A person who does not transfer to the Retirement Savings
 772 Plan under Section 115(a)(3) must not receive credit for County service
 773 for this State service.

774 (b) County service includes any period of compulsory or voluntary service
 775 in the armed forces of the United States or a state militia if the
 776 participant:

777 (1) was a member of the retirement savings plan, the optional
 778 retirement plan, the guaranteed retirement income plan, or the
 779 integrated plan when the military service began;

780 * * *

781 ~~[[4]]~~ (c) An employee who did not become a member of the retirement
 782 savings plan solely because the employee was called to active duty
 783 before completing 180 days of County employment~~[[, will]]~~ must be
 784 eligible to receive contributions under Sections 33-115 and 33-116 if the
 785 employee becomes a participant in the retirement savings plan upon re-
 786 employment.

787 **33-128. Definitions.**

788 * * *

789 (j) Employee means an employee of the County who:
 790 (1) participates in the retirement savings plan under this Article or
 791 the guaranteed retirement income plan under Article III; and
 792 (2) is regularly scheduled to work 20 hours or more per week.

793 * * *

794 **33-134. Reduction of benefits.**

795 (a) Reduction by payments received. Disability benefits must be reduced by
 796 any amount the employee receives from:

797 * * *

798 (4) the optional or integrated plan of the employees' retirement
799 system under Article III;

800 * * *

801 **33-139 Severance pay.**

802 The County or the applicable agency must pay any participant in the
803 ~~[[Employees']]~~ retirement savings plan or the guaranteed retirement income plan
804 severance pay when the participant is separated from service by an affirmative
805 administrative action other than dismissal for cause. An agency may adopt this
806 severance pay plan under an adoption agreement approved by the Chief
807 Administrative Officer.

808 **Sec. 2. Effective Date.**

809 County Code Section 33-37 and Section 33-115, as amended by Section 1,
810 ~~[[are effective]]~~ take effect on January 1, 2009. The rest of this Act takes effect on
811 July 1, 2009.

812 *Approved:*

813 Michael J. Knapp 20 JUN 08
Michael J. Knapp, President, County Council Date

814 *Approved:*

815 Isiah Leggett June 18, 2008
Isiah Leggett, County Executive Date

817 *This is a correct copy of Council action.*

818 Linda M. Lauer July 7, 2008
Linda M. Lauer, Clerk of the Council Date