

Expedited Bill No. 26-08  
Concerning: Personnel – Retirement –  
Amendments  
Revised: 6-16-08 Draft No. 1  
Introduced: June 17, 2008  
Enacted: June 24, 2008  
Executive: July 7, 2008  
Effective: July 1, 2008/July 6, 2008  
Sunset Date: None  
Ch. 25, Laws of Mont. Co. 2008

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Councilmember Trachtenberg

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**AN EXPEDITED ACT to:**

- (1) require the County to make employee contributions for an employee who leaves employment for certain military leave;
- (2) increase the percent of certain contributions to the Retirement Savings Plan for Group I members; and
- (3) generally amend the County retirement law.

By amending

Montgomery County Code  
Chapter 33, Personnel and Human Resources  
Sections 33-21, 33-35, 33-41, 33-116, 33-117, and 33-119

<b>Boldface</b>	<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 interest must receive service credit for periods of active military  
28 service if the member:

29 (A) does not remain in the military service for more than 5  
30 years, not including any military service described in  
31 Section 4312(c) of Title 38 of the United States Code;  
32 and

33 (B) reports for County service or applies for reemployment  
34 and submits proof of military service:

35 (i) within [90 days] one year after completing the  
36 military service and without any other employment  
37 after discharge from the military service; or

38 (ii) within 2 years after completing the military  
39 service, if the member was hospitalized or  
40 convalescing from an illness or injury incurred in,  
41 or aggravated during, [the period of] military  
42 service[; and].

43 [(C) makes up employee contributions missed during the  
44 period of military service.]

45 (2) [A member who does not make up all of the employee  
46 contributions missed during the period of military service must  
47 not receive credited service for a proportion of the total period  
48 of military service equal to the ratio of the actuarial value of the  
49 remaining missed employee contributions to the actuarial value  
50 of the total employer and employee contributions for the period  
51 of military service.] A member who withdraws member  
52 contributions and redeposits the withdrawn contributions with  
53 interest at a rate of 6.5% must receive the credited service under

54 this Section. The member must make the repayment while  
 55 employed by the County, and not later than the earlier of the  
 56 period of military service or 5 years, beginning on the date of  
 57 reemployment.

58 \* \* \*

59 **33-119. Credited service.**

60 \* \* \*

61 (b) County service includes any period of compulsory or voluntary  
 62 service in the armed forces of the United States, [or] a state militia, or  
 63 other military service covered under the Uniformed Services  
 64 Employment and Reemployment Rights Act, if the participant:

65 (1) was a member of the Retirement Savings Plan, the optional  
 66 retirement plan, or the integrated plan when the military service  
 67 began;

68 (2) applied for reemployment or returned to County service within:  
 69 (A) [90 days of] 1 year after discharge from the military  
 70 service, and the participant does not take other  
 71 employment; [or]

72 (B) [within] 2 years after [completion of] completing military  
 73 service if the member was hospitalized or convalescing  
 74 from an illness or injury incurred or aggravated during  
 75 military service, and the participant does not take other  
 76 employment; or

77 (C) more than 2 years if circumstances beyond the control of  
 78 the participant make it impossible or unreasonable for the  
 79 participant to apply for reemployment within 2 years, and  
 80 the participant does not take other employment; and

- 81 (3) the total period of military service did not exceed 5 years,  
 82 [except that the 5-year limitation does not include periods] not  
 83 including any period of military service described under  
 84 Section 4312(c) of Title 38, United States Code.

85 \* \* \*

86 **Sec. 2. Sections 33-116 and 33-117 are amended as follows:**

87 **33-116. Participant contributions.**

88 (a) Percent of participant contributions.

- 89 (1) (A) Group I. Each participant in Group I [or Group II] must  
 90 contribute, through regular payroll deductions, [3  
 91 percent] 4% of regular earnings less than or equal to the  
 92 Social Security wage base and [6 percent] 8% of regular  
 93 earnings that exceed the Social Security wage base.

- 94 (B) Group II. Each participant in Group II must contribute,  
 95 through regular payroll deductions, 3% of regular  
 96 earnings less than or equal to the Social Security wage  
 97 base and 6% of regular earnings that exceed the Social  
 98 Security wage base.

99 \* \* \*

- 100 (4) [A] The County must contribute on behalf of a participant who  
 101 rejoins County service after military service that qualified under  
 102 Section 33-119(b) as credited service [may contribute] an  
 103 amount equal to the amount that the participant could have  
 104 contributed if the participant had worked for the County during  
 105 the period of military service.

- 106 [(A) The participant must contribute this amount in  
 107 regular payments beginning on the date of  
 108 reemployment and ending after the earlier of:  
 109 (i) 3 times the period of military service; or  
 110 (ii) 5 years.]
- 111 [(B)] (A) Contributions for the period of military service  
 112 must be based on the [gross pay] regular earnings  
 113 the participant would have earned during the  
 114 period of military service. If this amount of [gross  
 115 pay] regular earnings is not reasonably  
 116 ascertainable, the [elective] contribution must be  
 117 based on the participant's average [gross pay]  
 118 regular earnings during a period immediately  
 119 preceding military service. The averaging period  
 120 is 12 months, or the full length of the participant's  
 121 County service, whichever is shorter.
- 122 [(C)] (B) [Elective contributions] Contributions under  
 123 this paragraph count toward the maximum annual  
 124 contribution limits under the Internal Revenue  
 125 Code for the year for which the contributions [are  
 126 made, which the participant must designate] relate.
- 127 (D) (C) The participant is not entitled to any retroactive  
 128 allocation of forfeitures or any retroactive crediting  
 129 of earnings because of [elective] contributions  
 130 under this subparagraph.

131 \* \* \*

132 **33-117. Employer contributions.**

- 133 (a) Amount of employer contributions.
- 134 (1) Group I participants. The County must contribute to the
- 135 retirement savings plan in quarterly installments, on behalf of
- 136 each Group I participant, an amount equal to [6%] 8% of that
- 137 participant's regular earnings while a Group I participant during
- 138 a plan year.

\* \* \*

**Sec. 3. Expedited Effective Date.**

141 The Council declares that this legislation is necessary for the immediate  
 142 protection of the public interest. County Code Section 33-116(a) and Section 33-  
 143 117(a), as amended by Section 2 of this Act, take effect on July 6, 2008. The rest  
 144 of this Act takes effect on July 1, 2008.

145  
146 *Approved:*

147 Michael J. Knapp 26 Jun 08  
 Michael J. Knapp, President, County Council Date

148 *Approved:*

149 Isiah Leggett July 7, 2008  
 150 Isiah Leggett, County Executive Date

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

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