

Expedited Bill No. 18-09
Concerning: Personnel - Retirement - Imputed Compensation
Revised: May 13, 2009 Draft No. 6
Introduced: April 14, 2009
Enacted: May 13, 2009
Executive: May 21, 2009
Effective: July 1, 2009
Sunset Date: None
Ch. 15, Laws of Mont. Co. 2009

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) amend the definition of regular earnings to include certain imputed compensation under the employees' retirement system; ~~[[and]]~~
- (2) provide a one-time County contribution to the retirement savings plan and the guaranteed retirement income plan; and
- (3) generally amend the law regarding the employees' retirement system.

By amending

Montgomery County Code
Chapter 33, Personnel and Human Resources
Sections 33-35, 33-40, and 33-117

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 (a) the County's deferred compensation plan under Section 457 of the
28 Internal Revenue Code; or

29 (b) any statutory fringe benefit program sponsored by the County and
30 permitted by the Internal Revenue Code.

31 * * *

32 **33-40. Employer Contributions.**

33 * * *

34 (e) Guaranteed retirement income plan.

35 (1) Each pay period, the County must credit to each member's
36 guaranteed retirement income plan account an amount equal to
37 8% of the member's regular earnings. The County must make a
38 one-time credit equal to .36% of the member's fiscal year 2010
39 regular earnings to the member's guaranteed retirement income
40 plan account on the second pay period in July 2010 for a
41 member who is on the County payroll as of June 30, 2009 and
42 who is also on the County payroll as of June 30, 2010. Interest
43 must be credited at a rate of 7.25% on the County contribution
44 credits. If the 7.25% interest rate does not comply with
45 applicable law, the third segment rate described in Internal
46 Revenue Code Section 430(h)(2)(G) or any successor provision
47 must apply. Interest must be credited to a member's guaranteed
48 retirement income plan account balance on a monthly basis as
49 of the last day of the month.

50 * * *

51 **Sec. 33-117. Employer contributions.**

52 (a) *Amount of employer contributions.*

53 (1) *Group I participants.* The County must contribute to the
 54 retirement savings plan in quarterly installments, on behalf of
 55 each Group I participant, an amount equal to 8% of that
 56 participant's regular earnings while a Group I participant during
 57 a plan year. The County must make a one-time contribution of
 58 .36% of the participant's fiscal year 2010 regular earnings on
 59 the second pay period in July 2010 for a Group I participant on
 60 the County payroll as of June 30, 2009 and who is also on the
 61 County payroll as of June 30, 2010.

62 (2) *Group II participants.* The County must contribute to the
 63 retirement savings plan in quarterly installments, on behalf of
 64 each Group II participant, an amount equal to 10% of that
 65 participant's regular earnings while a Group II participant
 66 during a plan year. The County must make a one-time
 67 contribution of .36% of the participant's fiscal year 2010
 68 regular earnings on the second pay period in July 2010 for a
 69 Group II participant on the County payroll as of June 30, 2009
 70 and who is also on the County payroll as of June 30, 2010.

71 * * *

72 **Sec. 2. Expedited Effective Date.** The Council declares that this Act is
 73 necessary for the immediate protection of the public interest. This Act takes effect
 74 on July 1, 2009.

75 *Approved:*

76

77 *Philip M. Andrews* *May 15, 2009*
Philip M. Andrews, President, County Council Date

78 *Approved:*

79 *Isiah Leggett* *May 21, 2009*
Isiah Leggett, County Executive Date

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

81 *Linda M. Lauer* *June 1, 2009*
Linda M. Lauer, Clerk of the Council Date