

COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND
Legislative Session 2011, Legislative Day No. 12

Bill No. 43-11

Mr. John Olszewski, Sr., Chairman
By Request of County Executive

By the County Council, July 5, 2011

A BILL
ENTITLED

AN ACT concerning

Employees Retirement System - Contributions and DROP

FOR the purpose of increasing the rate of contribution to the retirement system by certain employees; authorizing certain employees to obtain a benefit under the Deferred Retirement Option Plan (DROP) under certain circumstances without electing to participate in the DROP at a certain time; providing for the retroactivity of this Act; and generally relating to the Employees' Retirement System.

By repealing and reenacting with amendments

Sections 5-1-203(9) and 5-1-304(e)

Article 5. Pensions and Retirement

Baltimore County Code, 2003

1 SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE
2 COUNTY, MARYLAND that Sections 5-1-203(9) and 5-1-304(e), Article 5. Pensions and
3 Retirement, of the Baltimore County Code, 2003, as amended, to read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter stricken from existing law.
~~Strike out~~ indicates matter stricken from bill.
Underlining indicates amendments to bill.

1 § 5-1-203.

2 (9) (i) This paragraph applies to a member who begins service on or after July 1,
3 2007.

4 (ii) Notwithstanding any other provision of this subtitle, the rate of regular
5 contributions shall be:

6 1. Except as otherwise provided in this subparagraph:

7 A. Beginning July 1, 2010, six and one-half (6.5) percent of
8 earnable compensation for all members; and

9 B. Beginning July 1, 2011, seven (7) percent of earnable
10 compensation for all members;

11 2. For Group 4 members:

12 A. Beginning July 1, 2010, eight (8) percent of earnable
13 compensation; and

14 B. [Beginning] EXCEPT AS PROVIDED SUBITEM 5 OF THIS
15 ITEM, BEGINNING July 1, 2011, eight and one-half (8.5) percent of earnable compensation;

16 3. For Deputy Sheriffs and Correctional Officers:

17 A. Beginning July 1, 2010, seven and one-half (7.5) percent of
18 earnable compensation; and

19 B. [Beginning] EXCEPT AS PROVIDED SUBITEM 5 OF THIS

1 ITEM, BEGINNING July 1, 2011, eight (8) percent of earnable compensation; and

2 4. For an appointed department head:

3 A. Beginning July 1, 2010, ten (10) percent of earnable
4 compensation; [and]

5 B. Beginning July 1, 2011, ten and one-half (10.5) percent of
6 earnable [compensation] COMPENSATION; AND

7 5. FOR DEPUTY SHERIFFS AND SWORN MEMBERS OF THE
8 FIRE DEPARTMENT, HIRED AFTER JULY 1, 2011 TEN (10)
9 PERCENT OF EARNABLE COMPENSATION.

10 § 5-1-304.

11 (e) (1) A DROP account for a member shall be established as of the member’s election
12 to participate in the DROP program, and shall consist of the following:

13 [(1)] (I) The member’s DROP allowance for each year adjusted in accordance
14 with subsections (g), (h), and (i) of this section;

15 [(2)] (II) Contributions to the retirement system made by a member during the
16 DROP period;

17 [(3)] (III) A one-time credit of unused sick time earned while in the DROP
18 program over the member’s benefit basis times the member’s average final compensation; and

19 [(4)] (IV) Five (5) percent interest earned on both the member’s DROP

1 allowance and the member's accumulated contributions during the DROP period, based on the
2 administrative procedures currently used to determine the member's accumulated contributions.

3 (2) A MEMBER WHO WAS ELIGIBLE TO PARTICIPATE IN THE DROP AS
4 PROVIDED IN SUBSECTION (B) OF THIS SECTION BY JULY 1, 2007 MAY ELECT TO
5 BEGIN THE DROP PERIOD RETROACTIVE TO JULY 1, 2007.

6 SECTION 2. AND BE IT FURTHER ENACTED, that this Act, having been passed by the
7 affirmative vote of five members of the County Council, shall take effect August 14, 2011
8 retroactive to July, 1, 2011.