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

The County Council for Montgomery County, Maryland approves the following Act:
Sec. 1. Sections 33-37, 33-38, 33-38A, 33-39, [(and)] 33-42, and 33-45 are amended as follows:

33-37. Membership requirements and membership groups.

*  *  *

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

*  *  *

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

*  *  *

(g) Transfer from one group to another. A member who elects to transfer from one membership group to another as a result of amendments to this Article must transfer by December 31, 1978, or forfeit this option. 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[I,]] or F[I, 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[I,]] or F[I, 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
service and age requirements for the applicable membership group.

For normal retirement:

* * *

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

* * *

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

* * *

(e) Early retirement date.

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

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

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

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

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

[(5) The group G member has at least 15 years of credited service and has reached age 45, or has at least 20 years of credited service and has reached age 41.]
[(6)] (E) [The] the group H member has at least 15 years of
credited service and has reached age 50, or has at least 20
years of credited service and has reached age 45.

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

* * *

33-38A. Deferred Retirement Option Plans.

* * *

(b) DROP Plan for Group G members.

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

* * *

33-39. Member contributions and credited interest.

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

* * *

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

* * *

(E) Group G:

(i) [4 3/4] 5 1/2 percent up to the maximum Social
Security wage base, and [8 1/2] 9 1/4 percent of
regular earnings that exceed the wage base [(up to
the member’s 25th year of credited service)] [and];
starting in the 25th year from the member's leave
accrual date under the County payroll system. 4 1/4
percent up to the maximum Social Security wage
base, and 8 1/2 percent of regular earnings that
exceed the wage base on and after the member's
25th year of credited service; and

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

(b) Amount of pension at normal retirement date.

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

(D) For a Group G member who is a member of the optional
plan and retires on a normal retirement, the annual
pension must equal [2] 2 1/2 percent of average final
earnings for each of the first 20 years of credited service
completed[, 3 percent of average final earnings for
completion of any year, or prorated portion of a year of
credited service, in years 21 through 24, 8 percent of
average final earnings for the 25th year of credited
service completed or for a prorated portion of credited
service of more than 24 years up to the completion of 25
years,] and 2 percent of average final earnings for each
year or prorated portion of a year of credited service of
more than [25] 20 years, to a maximum of 31 years plus
sick leave credits.

(2) Pension amount for an Integrated Retirement Plan member.
(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) 0 percent for years after year 31 (except sick leave credits referred to in subclause (d)); 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
the portion of any amount equal to or less than the Social Security maximum covered compensation in effect on the date of retirement:

(a) \[0.625 \times 0.78125\text{ percent},\text{ for each of the first } 20\text{ years of credited service; and}\]

(b) \[0.9375\text{ percent, for years } 21\text{ through } 24\text{ of credited service;}\]

(c) \[2.5\text{ percent, for the } 25\text{th year of credited service; and}\]

(d) \[0.625\text{ percent for each year of credited service of more than } [25] 20\text{ years, to a maximum of } 31\text{ years, plus sick leave credits.}\]

* * *

33-43. Disability retirement.

* * *

(d) Disability retirement procedures.

* * *

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

* * *

33-45. Vested benefits and withdrawal of contributions.
(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. Except for a Group G member, pension payments 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.

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:

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

Isiah Leggett, County Executive April 23, 2007

This is a correct copy of Council action.

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