COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

(1) provide a retirement incentive program for certain members of the employees' retirement system; and

(2) generally amend the law regarding the employees' retirement system.

By amending

Montgomery County Code Chapter 33, Personnel and Human Resources Section 33-42

[[Double boldface brackets]] * * * Added by amenament. Deleted from existing law or the bill by amendment. Existing law unaffected by bill.	Boldface Underlining [Single boldface brackets] Double underlining [[Double boldface brackets]] * * *	·
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The County Council for Montgomery County, Maryland approves the following Act:

1	Sec.	1. Sec	ction 33	3-42 is amended as follows:
2	33-42. Am	ount o	f pensi	on at normal retirement date or early retirement date.
3				* * *
4	(j)	<u>Retir</u>	rement .	Incentive <u>Program.</u>
5		<u>(1)</u>	<u>Eligi</u>	<u>bility.</u>
6			<u>(A)</u>	A Group A or H member may participate in the
7				Retirement Incentive Program if the member is eligible
8				for normal retirement as of July 1, 2008 or if the member
9				is eligible for early retirement and within two years of
10				meeting the criteria for normal retirement as of July 1,
11				<u>2008.</u>
12			<u>(B)</u>	[[Elected]] An elected or appointed [[officials are]]
13				official is not eligible to participate.
14			<u>(C)</u>	A member who wishes to participate must notify the
15				Office of Human Resources in writing by May [[1]] 21,
16				2008. [[Members]] Any member chosen to participate
17				must complete all required forms and retire as of July 1,
18				<u>2008.</u>
19			<u>(D)</u>	[[Members]] Any member employed by a participating
20				[[agencies are]] agency is not eligible to participate.
21			<u>(E)</u>	A member who retires on a disability retirement under
22				Section 33-43 or a discontinued service retirement under
23				Section 33-45(d) is not eligible to participate.
24		<u>(2)</u>	<u>Earl</u>	y <u>Retirement</u> <u>Reduction.</u>
25			<u>(A)</u>	A member who is eligible for early retirement and within
26				one year of meeting the criteria for normal retirement

27			[[will]] <u>must not have any early retirement reduction</u>
28			<u>appli</u>	ed to the member's pension benefit.
29		<u>(B)</u>	A me	mber who is eligible for early retirement and within
30			two y	years of meeting the criteria for normal retirement
31			[[will]] must have an early retirement reduction factor of
32			[[<u>two</u>	percent (2%)]] 2% applied to the member's
33			pensi	on benefit.
34	<u>(3)</u>	<u>Addit</u>	ional	Retirement Benefit. In addition to a member's
35		pensi	on be	nefit calculated under this Section, the member
36		[[will]] <u>mu</u> s	st receive an additional \$25,000 retirement benefit.
37 .		<u>The</u>	<u>memb</u>	er may elect to receive the additional \$25,000
38		retire	ment b	penefit as follows:
39		<u>(A)</u>	[[<u>Up</u>	on]] When the [[member's retirement]] member
40			<u>retire</u>	s, the additional \$25,000 retirement benefit [[will]]
41			<u>must</u>	be paid:
42			<u>(i)</u>	to the member in one lump sum;
43			<u>(ii)</u>	as a direct rollover to an eligible retirement plan
44				(as defined in the Internal Revenue Code); or
45			<u>(iii)</u>	a combination of (i) and (ii);
46		<u>(B)</u>	Begin	nning on the member's retirement date, 12 monthly
47			<u>insta</u>	llment payments [[will]] must be paid:
48			<u>(i)</u>	to the member;
49			<u>(ii)</u>	as a direct rollover to an eligible retirement plan
50				(as defined in the Internal Revenue Code); or
51			<u>(iii)</u>	a combination of (i) and (ii); or

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- (C) as an additional retirement benefit paid over the member's lifetime in the pension option elected by the member under Section 33-44.
- (4) Cost of Living. Cost of living adjustments do not apply to this benefit. [No] A cost of living [[adjustments calculated]] adjustment under [[subsection]] Section 33-44(c) [[will]] must not include the \$25,000 additional retirement benefit.
- (5) Approval. The Chief Administrative Officer must approve a request to participate in the program from a member employed [[by]] in the Executive Branch. The Council Staff Director must approve a request to participate in the program from a member employed [[by]] in the Legislative Branch. If more than [[twenty percent (20%)]] 20% of members eligible to participate in the Executive Branch, [[both]] either Countywide [[and]] or by department, [[request]] apply to participate in the program, the Chief Administrative Officer may limit the number of [[members, both]] participants, either on a Countywide [[and]] or department basis. If more than 20% of members eligible to participate in the Legislative Branch apply to participate in the program, the Council Staff Director may limit the number of participants. The Chief Administrative Officer and the Council Staff Director [[will]] must base any [[limitations]] <u>limits on the number of participants</u> on years of service with the County. Years of service with the County [[does]] must not include service with a participating agency, purchased service, or sick leave.

78	(6) Survivor Benefit. If a member elects to receive the additional
79	retirement benefit over a 12 month period and the member dies
80	before receiving all 12 payments, the remaining payments
81	[[will]] must not be paid.
82	Sec. 2. Expedited Effective Date.
83	The Council declares that this legislation is necessary for the immediate
84	protection of the public interest. This act takes effect on the date it becomes
85	law.
86	Approved:
87	
88	Michael F. Kran 15 May 08
	Michael J. Knapp, President, County Council Date
89	Approved:
90	Sial regitt 3/ MA, 08
	Isiah Ileggett, County Executive Date
91	This is a correct copy of Council action.
	$\rho : \neg \rho$
92	Jenda M. Jauer 5/22/08
	Linda M. Lauer, Clerk of the Council Date