COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

AN 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
Sections 33-42

The County Council for Montgomery County, Maryland approves the following Act:
Sec. 1. Section 33-42 is amended as follows:

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

*(k) Retirement Incentive Program 2009*

(1) Eligibility.

(A) A Group A, E or H member employed in a full-time position may apply to participate in the Retirement Incentive Program 2009 if the member is eligible for:

(i) normal retirement as of June 1, 2009; or

(ii) early retirement and within two years of meeting the criteria for normal retirement as of June 1, 2009.

(B) A member is not eligible to participate if the member:

(i) receives a disability retirement under §33-43;

(ii) receives a discontinued service retirement under §33-45(d);

(iii) is an elected or appointed official; or

(iv) is employed by a participating agency.

(C) A member must apply to participate in the Retirement Incentive Program 2009 with the Office of Human Resources in writing by April 1, 2009. A member chosen to participate must complete all required forms by May 1, 2009 and retire as of June 1, 2009.

(D) A member who applies for a disability retirement under 33-43 will not receive any benefit under this section until the disability retirement has been determined.
(2) Early retirement reduction. A participant’s pension benefit must not be reduced for early retirement if the member is eligible for early retirement and within two years of meeting the criteria for normal retirement.

(3) Additional Retirement Benefit. In addition to a participant’s pension benefit calculated under this Subsection, a member must be paid an additional $40,000 retirement benefit. The member must elect to receive the additional $40,000 retirement benefit as:

(A) a lump sum on August 1, 2009:
   (i) to the member;
   (ii) as a direct rollover to an eligible retirement plan (as defined in the Internal Revenue Code); or
   (iii) a combination of (i) and (ii); or

(B) 12 equal monthly payments beginning on August 1, 2009:
   (i) to the member;
   (ii) as a direct rollover to an eligible retirement plan (as defined in the Internal Revenue Code); or
   (iii) a combination of (i) and (ii); or

(C) an additional retirement benefit paid over the member’s lifetime in the pension option elected by the member under Section 33-44 beginning on August 1, 2009.

(4) Group E Benefit. The benefit for a Group E member in the integrated retirement plan must be calculated by substituting 1.65% for 1.25% in §33-43(b)(2)(C)(ii).
(5) **Cost of Living.** Cost of living adjustments do not apply to this benefit. A cost of living adjustment under §33-44(c) must not include the $40,000 additional retirement benefit.

(6) **Approval.** The Chief Administrative Officer must approve a request to participate in the program from a member employed in the Executive Branch. The Council Staff Director must approve a request to participate from a member employed in the Legislative Branch. If more than 30% of members eligible to participate in the Executive Branch either Countywide or by department apply to participate in the program, the Chief Administrative Officer may limit the number of participants, either on a Countywide or department basis. If more than 30% 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 must base any limits on the number of participants on years of service with the County. Years of service with the County must not include service with a participating agency, purchased service or sick leave.

(8) **Survivor Benefit.** If a participant elects to receive the additional retirement benefit under §33-42(k)(3)(B) and the member dies before receiving all 12 monthly payments, the remaining payments must not be paid.

**Sec. 2. Effective Date.**

The Council declares that this legislation is necessary for the immediate protection of the public interest. This Act takes effect on the date on which it becomes law.
Approved:

Philip M. Andrews, President, County Council

Isiah Leggett, County Executive

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council