

Purpose

On page 3, in line 21, after “contingency;” insert “establishing a certain commission to study and make recommendations relating to State funded post retirement benefits and pensions provided to State and public education employees; requiring the commission to submit a certain report to a certain commission and a certain committee on or before a certain date;”.

Body

On page 71, after line 31, insert:

“SECTION 43A. AND BE IT FURTHER ENACTED, That:

(a) There is a Public Employees’ and Retirees’ Benefit Sustainability Commission.

(b) (1) Subject to the provisions of paragraph (2) of this subsection, the Commission consists of the following members:

(i) The State Treasurer, ex officio; ~~who may appoint a deputy treasurer as designee.~~

(ii) three members appointed by the Governor;

(iii) two members appointed by the President of the Senate; and

(iv) two members appointed by the Speaker of the House.

(2) (i) In the appointment of members to the Commission, special consideration shall be given to individuals who have knowledge of public or private compensation practices, benefits, and financial matters.

(ii) Except as provided in paragraph (1)(i) of this subsection, the following individuals may not be members of the Commission:

1. a member of the General Assembly;

(Over)

2. a member of the Board of Trustees for the State Retirement and Pension System;

3. an employee of the State Retirement Agency; or

4. an individual that is employed by an organization that represents:

A. a governmental entity; or

B. employees of a governmental entity.

(c) The Governor shall designate the chair of the Commission.

(d) (1) The Department of Legislative Services shall provide staff for the Commission.

(2) The Department of Legislative Services' consulting actuary shall provide pension analysis for the Commission.

(3) The Department of Budget and Management's consulting actuary shall provide analysis of post employment benefits for the Commission.

(4) At the request of the Commission, the Department of Budget and Management and the State Retirement Agency shall provide information necessary to assist in the work of the Commission.

(e) A member of the Commission:

(1) may not receive compensation as a member of the Commission; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(f) (1) The costs of the Commission relating to the evaluation of pensions shall be paid by the State Retirement Agency.

(2) The costs of the Commission relating to the Retiree Health Benefits evaluation shall be paid by the Department of Budget and Management.

(g) (1) The Commission shall study and make recommendations with respect to all aspects of State funded post retirement benefits and pensions provided to State and public education employees in the State.

(2) The Commission shall review and evaluate the recruitment practices, retention incentives, actuarial liabilities, actuarial funding method, cost drivers, employee contribution rates, and the comparability and affordability of benefit levels of:

(i) the State Employees' Retirement and Pension Systems;

(ii) the State Employee and Retiree Health Benefit Program;

and

(iii) the Teachers' Retirement and Pensions Systems.

(3) The review of the Commission shall include:

(i) long-term estimated increases in the annual required contributions for the State and evaluation of the sustainability of State-only funding of the long-term contribution levels for the current benefit structure; and

(Over)

(ii) an evaluation of the appropriate levels of contribution for the direct employer of public education employees in the State, including an evaluation of the related provisions of Senate Bill 141 of the 2010 Regular Session of the General Assembly as it passed the Senate of Maryland.

(h) (1) On or before December 15, 2010, the Commission shall issue an interim report of its findings and recommendations that are specific and actionable to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee, the House Appropriations Committee, the Joint Committee on Pensions, and the Blue Ribbon Commission to Study Retiree Health Care Funding Options.

(2) On or before June 30, 2011, the Commission shall issue a final report of its findings and recommendations that are specific and actionable to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Budget and Taxation Committee, the House Appropriations Committee, the Joint Committee on Pensions, and the Blue Ribbon Commission to Study Retiree Health Care Funding Options.

(i) It is the intent of the General Assembly that the recommendations of the Commission begin to be implemented no later than fiscal year 2013.

(j) The Commission shall terminate on June 30, 2012.”.