

CHAPTER 159

(Senate Bill 312)

AN ACT concerning

Pensions -- Member Contributions -- Deduction and Payment

FOR the purpose of clarifying how certain deductions of member contributions from members' compensation are required to be made and paid to the Board of Trustees of the State Retirement and Pension System or be subject to a certain penalty and interest.

BY repealing and reenacting, with amendments,

Article -- State Personnel and Pensions

Section 21-314

Annotated Code of Maryland

(1994 Volume and 1996 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article -- State Personnel and Pensions

21-314.

(a) Each participating employer shall submit to the Board of Trustees a statement that shows the name, date of birth, occupational title, duties, compensation, length of service, and other information that the Board of Trustees requires regarding employees or former employees of the participating employer.

(b) Each year the Board of Trustees shall certify the member contribution rates to the chief fiscal officer of each participating employer.

(c) (1) IN THIS SUBSECTION, "COMPENSATION" MEANS A MEMBER'S EARNABLE COMPENSATION AS PROVIDED IN § 20-101 OF THIS ARTICLE AND INCLUDES THE AMOUNT EARNED BY THE MEMBER FOR ALL PAY PERIODS ENDING DURING A CALENDAR YEAR EVEN IF AN AMOUNT IS PAID TO THE MEMBER AFTER DECEMBER 31 OF THE CALENDAR YEAR.

(2) As each payroll is paid or in a manner that the Board of Trustees prescribes, each participating employer shall certify to the Board of Trustees, and the proper fiscal officer of the participating employer shall pay to the Board of Trustees, the member contributions deducted from the compensation of each member employed by the participating employer or made under an employer pickup program.

(d) (1) A participating employer that does not pay the member contributions certified under this section to the Board of Trustees within the time required is liable for:

(i) a penalty of 10% of the amounts due; and

(ii) interest on delinquent amounts at 10% a year until paid.