

**CHAPTER 586****(Senate Bill 247)**

AN ACT concerning

**Retirement and Pensions – Withdrawing Participating Governmental Units – Return of Assets and Liabilities**

FOR the purpose of altering the calculation of the participating fund ratio of a participating governmental unit that provided certain benefits to its employees; establishing a “noncontributory system funding ratio” for a participating governmental unit that did not provide certain benefits to its employees; altering the calculation of certain reimbursements of certain participating governmental units; establishing a method of calculating certain reimbursements of certain participating governmental units that did not provide certain benefits to their employees; amending certain definitions; adding certain definitions; making technical changes; and generally relating to the return of assets and liabilities to participating governmental units withdrawing from employees’ systems.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21–305.5

Annotated Code of Maryland

(1997 Replacement Volume and 2000 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**

21–305.5.

(a) (1) In this section the following words have the meaning indicated.

(2) [“Active participant funding ratio” means the ratio determined by the actuary as provided under subsection (d) of this section.

(3)] “Complement of the [active] participant funding ratio” is a ratio equal to  $\pm 100\%$  minus the [active] participant funding ratio, AND MAY NOT BE LESS THAN ZERO.

[(4)](3) “Employees’ systems” means the Employees’ Pension System and the Employees’ Retirement System.

(4) “NONCONTRIBUTORY PARTICIPATING GOVERNMENTAL UNIT” MEANS A PARTICIPATING GOVERNMENTAL UNIT THAT DID NOT ELECT TO PROVIDE ITS EMPLOYEES WITH THE CONTRIBUTORY PENSION BENEFIT UNDER TITLE 23 OF THIS ARTICLE AS PROVIDED IN § 31–116 OF THIS ARTICLE.