

**CHAPTER 348****(House Bill 164)**

AN ACT concerning

**Task Force to Study the State's Retiree Health Insurance Liabilities**

FOR the purpose of establishing a Task Force to Study the State's Retiree Health Insurance Liabilities; providing for the membership, chairman, duties, and staffing of the Task Force; requiring the Task Force to report to the Governor and the General Assembly on its findings; and generally relating to the establishment of a Task Force to Study the State's Retiree Health Insurance Liabilities.

**Preamble**

WHEREAS, Maryland, like the majority of states around the country, partially subsidizes the health insurance premiums for retired State employees, and currently funds this subsidy on a "pay-as-you-go" basis; and

WHEREAS, This subsidy will grow dramatically in the future due to the growing number of State retirees and the escalation in health care costs; and

WHEREAS, The unfunded liabilities associated with this subsidy are informally estimated at \$3 billion; and

WHEREAS, To address these growing costs a growing minority of states have begun to prefund these liabilities; and

WHEREAS, Maryland currently has a fully funded pension system; and

WHEREAS, It is important that plans be made to ensure adequate funding for the State's subsidy of retiree health insurance; now, therefore,

**SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:**

(a) There is a Task Force to Study the State's Retiree Health Insurance Liabilities.

(b) The Task Force shall consist of the following members:

(1) three members from the House of Delegates, appointed by the Speaker of the House; and

(2) three members from the Senate, appointed by the President of the Senate.

(c) The President of the Senate and the Speaker of the House of Delegates shall jointly designate the Chairman of the Task Force.

(d) The Task Force shall: