

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2016 Legislative Session

Bill No. CB-20-2016

Chapter No. 14

Proposed and Presented by The Chairman (by request – County Executive)

Introduced by Council Members Davis, Franklin, Glaros, Harrison,
Taveras, Toles and Turner

Date of Introduction May 17, 2016

BILL

1 AN ACT concerning

2 Prince George’s County Police Pension Plan

3 For the purpose of approving by legislative act an amendment to the Police Pension Plan
4 regarding the change in the normal retirement date.

5 SECTION 1. WHEREAS, Section 16-231(a) of the Prince George’s County Code
6 authorizes the County Executive to establish a pension plan for all uniformed employees
7 occupying classified service positions allocated to public safety classes of work within the Police
8 Department; and

9 SECTION 2. WHEREAS, Section 16-231(a) of the Prince George’s County Code provides
10 that, upon establishment, a pension plan for all uniformed employees occupying classified
11 service positions allocated to public safety classes of work within the Police Department may not
12 be amended to lessen the benefits provided therein or to bind the County to finance or make
13 contributions thereto, unless such amendments are approved by a legislative act of the County
14 Council; and

15 SECTION 3. WHEREAS, Section 1017 of the Prince George’s County Charter defines a
16 legislative act as any bill enacted in the manner and form provided in this Charter; and

17 SECTION 4. WHEREAS, a Collective Bargaining Agreement (“CBA”) change has been
18 made between Prince George's County, Maryland (“County”) and the Fraternal Order of Police,
19 Lodge 89 (FOP 89) through an arbitration award; and

20 SECTION 5. WHEREAS, this agreed upon change, to amend the benefits to the members
21 of the CBA unit, requires that changes are made to the Police Pension Plan (“Plan”); and

1 SECTION 6. WHEREAS, the Plan has been amended, pursuant to an arbitration award,
2 which changes the normal retirement age for newly hired officers; and

3 SECTION 7. WHEREAS, for officers hired on or after January 1, 2016, the normal
4 retirement date is to be redefined to twenty-five (25) years of actual service ; and

5 SECTION 8. WHEREAS, the retirement benefit percentage for newly hired officers who
6 serve the County for twenty-five (25) years will be the same for both the newly hired and those
7 hired prior to this amendment; and

8 SECTION 9. WHEREAS, the only distinction to the Plan prior to this amendment is newly
9 hired officers must work twenty-five (25) years prior to being entitled to an immediate benefit
10 commencement; and

11 SECTION 10. WHEREAS, officers hired prior to this amendment can retire with twenty
12 (20) years of service and be entitled to an immediate benefit commencement; and

13 SECTION 11. WHEREAS, the amendments to the Plan are effective July 1, 2015, and the
14 provisions of the Plan and all amendments made thereafter, were set forth in the revised and
15 reinstated Plan; and

16 SECTION 12. WHEREAS, Prince George's County Council enacted CB-95-2013, which
17 is the most recent amendment to the CBA with the FOP 89; and

18 SECTION 13. WHEREAS, Prince George's County Council adopted the following
19 legislation: (1) CR-125-2013, which is the Compensation and Benefits for the FOP 89 Salary
20 Schedule L; and (2) CR-47-2014, which is the Compensation and Benefits for Police Officials
21 Salary Schedule P-O of Pay Grade; and

22 SECTION 14. WHEREAS, there is a new benefit for the surviving spouse of an officer
23 whose husband or wife died in a "line of duty" death on or before November 30, 2002; and

24 SECTION 15. WHEREAS, the definition of "Death in the Line of Duty" in the Plan states
25 specific conditions for payment, most of which are mandated by Federal and State tax law
26 requirements; and

27 SECTION 16. WHEREAS, the requirements under the Plan and pursuant to Federal and
28 State tax laws provide for a tax free benefit for the surviving spouse; and

29 SECTION 17. BE IT ENACTED that the Prince George's County Police Pension Plan be
30 amended, said amendment, attached hereto and made a part herein, designated as Attachment A,
31 be and is hereby approved, upon the effective date of this Act and shall be retroactively effective

1 to July 1, 2015.

2 SECTION 18. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)
3 calendar days after it becomes law and shall be retroactively effective to July 1, 2015.

Adopted this 14th day of June , 2016.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick Leon Davis
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Rushern L. Baker, III
County Executive

PRINCE GEORGE'S COUNTY POLICE PENSION PLAN

RECITALS

This legislation amends the normal retirement age for newly hired officers to the Police Pension Plan.

A collective bargaining agreement change has been implemented between Prince George's County, Maryland ("the County") and the Fraternal Order of Police, Lodge 89 through an arbitration award. This agreement is generally effective July 1, 2015, through and including June 30, 2016 and it requires changes to the benefits of members of the collective bargaining unit. The agreement requires that changes are made to the Police Pension Plan. The Plan Administrator for the Police Pension Plan ("the Plan") has reviewed the Plan document and the arbitration award and has compiled a listing of changes to the Plan document needed to reflect those changes to benefits that have been negotiated.

AMENDMENTS

The Prince George's County Police Pension Plan is amended as follows:

1. A new paragraph is added to the ending of the definition of Normal Retirement Date in Section 1 ("Definitions") of the Plan. It reads as follows:

"Effective January 1, 2016, for any Employee first employed on or after January 1, 2016, Normal Retirement Date shall not be as defined above, but means the first day of the month coinciding with or immediately following the earlier of the date on which a Participant has attained age 55 or the date on which he or she has completed 25 years of Actual Service, provided that service of a participant prior to July 1, 1990 which is transferred to the Plan pursuant to Article 73B, Section 32 or Section 32B of the Maryland Annotated Code, or which could have been so transferred, but for the fact it is already included under a "Purchased Service" rule of Section 3.1, shall be considered as Actual Service for the purpose of determining his/her normal retirement date."

2. A new Section is added, Section 6.2.1, "Death in the Line of Duty Occurring on or before to November 30, 2002." It reads as follows:

"Effective January 1, 2016, the surviving spouse of a Participant who died while an Employee and whose death was a Death in the Line of Duty, as defined in the Plan, occurring on or before November 30, 2002, shall receive a benefit for the spouse's remaining life in the amount of one thousand dollars (\$1,000) per month. This spouse's Death in the Line of Duty benefit shall be payable starting on January 1, 2016 and shall be paid monthly until the death of the surviving spouse."

The monthly benefits for any surviving spouse of a Participant whose Death in the Line of Duty benefit is due prior to the date making this change in the Plan and on or after January 1, 2016 shall be paid in a lump sum as soon as possible and without interest.

Attachment A

A surviving spouse eligible to receive the pre-retirement 50% Contingent Annuitant benefit described above shall nevertheless be paid the benefit provided under this section as well as that benefit. If another beneficiary is receiving the pre-retirement 50% Contingent Annuitant benefit described above, the surviving spouse shall nevertheless be paid the benefit provided under this Section.

This benefit shall be paid even if the death benefit described in Section 6.1 of the Plan has been paid to the surviving spouse or to any other beneficiary.

For purposes of this Section, a surviving spouse is the spouse to whom the Participant was married at his or her death, and shall not include a former spouse.”

In all other respects, this Plan is ratified and confirmed.